

AMENDED IN ASSEMBLY SEPTEMBER 3, 2015

AMENDED IN ASSEMBLY AUGUST 27, 2015

AMENDED IN ASSEMBLY JULY 8, 2015

AMENDED IN ASSEMBLY JUNE 24, 2015

AMENDED IN SENATE APRIL 9, 2015

SENATE BILL

No. 697

Introduced by Senator Hertzberg

February 27, 2015

An act to amend Sections 280.5, 281, 309.7, 311.4, 321.6, 364, 379.7, 421, 740.3, 747, 765, 785, 846, 873, 958.5, 960, 2851, 2881, 2891, 5387, 5920, 5960, 7661, 7712, 7912, and 8283 of, to amend the headings of Article 5 (commencing with Section 581) of Chapter 3 of, and Article 11 (commencing with Section 910) of Chapter 4 of, Part 1 of Division 1 of, to amend and renumber Sections 321.7, 326, 326.5, 399.19, 432.5, 747.6, 748, 765.6, 911, 915, 5006, 5012, 7711, and 8367 of, to amend, renumber, and add Section 910 of, to add Sections 590, 910.1, 910.3, 910.6, 911.1, 912, 912.2, 913, ~~913.2~~, 913.5, *913.11*, 913.12, 913.13, ~~913.14~~, 914, 914.1, 914.2, 914.3, 914.4, 914.5, 914.6, 914.7, 916, 916.1, 916.4, 919, and 920 to, and to repeal Section 5385.5 of, the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 697, as amended, Hertzberg. Public Utilities Commission Accountability Act of 2015: reports: audits: electrical restructuring: charter-party carriers of passengers.

The California Constitution establishes the Public Utilities Commission and authorizes the commission to exercise ratemaking and

rulemaking authority over all public utilities, as defined, subject to control by the Legislature. Existing law requires the commission to report various information to the Legislature.

This bill would adopt the Public Utilities Commission Accountability Act of 2015. The bill would recast certain of the commission's reporting requirements to an article within the Public Utilities Act pertaining to reports by the commission to the Legislature and make other conforming changes. The bill would require the commission to report specified information on a quarterly basis relative to implementation of the California Renewables Portfolio Standard ~~Program and community choice aggregation Program~~.

Existing law relative to restructuring of the electrical industry authorizes an electrical corporation to apply to the commission for a determination that certain transition costs, as defined, may be recovered through fixed transition amounts, which would constitute transition property, as defined, and provides, until December 31, 2015, for the issuance of financing orders and provides for the issuance of rate reduction bonds to be paid out of rates.

This bill would extend the authorization for the issuance of financing orders from December 31, 2015, to December 31, 2016.

The Passenger Charter-party Carriers' Act places charter-party carriers of passengers, as defined, under the jurisdiction of the Public Utilities Commission. Under existing law, no charter party carrier of passengers may operate a motor vehicle on a public highway unless there is displayed on the vehicle a distinctive identifying symbol, in the form prescribed by the commission, showing the classification to which the carrier belongs. For motor vehicles designed to carry not more than 8 passengers, the commission is required to issue a suitable decal with an identifying symbol and of a specified size for that purpose.

This bill would repeal that provision requiring the issuance of the decal.

This bill would incorporate additional changes in Section 281 of the Public Utilities Code proposed by AB 1262, to be operative only if AB 1262 and this bill are both chaptered and become effective on or before January 1, 2016, and this bill is chaptered last. This bill would incorporate additional changes in Section 5387 of the Public Utilities Code proposed by SB 541, to be operative only if SB 541 and this bill are both chaptered and become effective on or before January 1, 2016, and this bill is chaptered last.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. This act shall be known, and may be cited, as the
2 Public Utilities Commission Accountability Act of 2015.

3 SEC. 2. Section 280.5 of the Public Utilities Code is amended
4 to read:

5 280.5. (a) Of the revenues from fees collected pursuant to
6 Section 14666.8 of the Government Code after the operative date
7 of this section, except for revenues from fees from a lease
8 agreement for access to Department of Transportation property or
9 a lease agreement existing prior to the operative date of the section,
10 15 percent shall be available, upon appropriation by the Legislature,
11 for the purpose of addressing the state's digital divide.

12 (b) Revenues described in subdivision (a) shall be deposited in
13 the Digital Divide Account, which is hereby established in the
14 California Teleconnect Fund Administrative Committee Fund
15 established pursuant to Section 270, to be used only for digital
16 divide pilot projects. Not more than 5 percent of the revenues
17 described in subdivision (a) may be used to pay the costs incurred
18 in connection with the administration of digital divide pilot projects
19 by the commission.

20 (c) (1) The Digital Divide Grant Program is hereby established
21 subject to the availability of funding pursuant to this section. The
22 commission may not implement the grant program until the
23 commission projects that at least five hundred thousand dollars
24 (\$500,000) will be available in the Digital Divide Account during
25 the calendar year following implementation, based on money
26 collected pursuant to Section 14666.8 of the Government Code.

27 (2) The commission shall provide grants pursuant to this
28 subdivision on a competitive basis subject to criteria to be
29 established by the commission and in a way that disburses the
30 funds widely, including urban and rural areas. Grants shall be
31 awarded to community-based nonprofit organizations that are
32 exempt from taxation under Section 501(c)(3) of the Internal
33 Revenue Code for the purpose of funding community technology
34 programs.

(3) Recipients of grants pursuant to this subdivision shall report to the commission annually on the effectiveness of the grant program.

(d) For purposes of this section, “community technology programs” means a program that is engaged in diffusing technology in local communities and training local communities in the use of technology, especially local communities that otherwise would have no access or limited access to the Internet and other technologies.

(e) For purposes of this section, “digital divide projects” means community technology programs involved in activities that include, but are not limited to, the following:

(1) Providing open access to and opportunities for training in technology.

(2) Developing content relevant to the interests and wants of the local community.

(3) Preparing youth for opportunities in the new economy through multimedia training and skills.

(4) Harnessing technology for e-government services.

SEC. 3. Section 281 of the Public Utilities Code is amended to read:

281. (a) The commission shall develop, implement, and administer the California Advanced Services Fund program to encourage deployment of high-quality advanced communications services to all Californians that will promote economic growth, job creation, and the substantial social benefits of advanced information and communications technologies, consistent with this section.

(b) (1) The goal of the program is, no later than December 31, 2015, to approve funding for infrastructure projects that will provide broadband access to no less than 98 percent of California households.

(2) In approving infrastructure projects, the commission shall give priority to projects that provide last-mile broadband access to households that are unserved by an existing facilities-based broadband provider. The commission shall provide each applicant, and any party challenging an application, the opportunity to demonstrate actual levels of broadband service in the project area, which the commission shall consider in reviewing the application.

(c) The commission shall establish the following accounts within the fund:

(1) The Broadband Infrastructure Grant Account.

(2) The Rural and Urban Regional Broadband Consortia Grant Account.

(3) The Broadband Infrastructure Revolving Loan Account.

(4) The Broadband Public Housing Account.

(d) (1) All moneys collected by the surcharge authorized by the commission pursuant to Decision 07-12-054 shall be transmitted to the commission pursuant to a schedule established by the commission. The commission shall transfer the moneys received to the Controller for deposit in the California Advanced Services Fund. Moneys collected on and after January 1, 2011, shall be deposited in the following amounts in the following accounts:

(A) One hundred ninety million dollars (\$190,000,000) into the Broadband Infrastructure Grant Account.

(B) Ten million dollars (\$10,000,000) into the Rural and Urban Regional Broadband Consortia Grant Account.

(C) Fifteen million dollars (\$15,000,000) into the Broadband Infrastructure Revolving Loan Account.

(2) All interest earned on moneys in the fund shall be deposited in the fund.

(3) The commission shall not collect moneys, by imposing the surcharge described in paragraph (1) for deposit in the fund, in an amount that exceeds one hundred million dollars (\$100,000,000) before January 1, 2011. On and after January 1, 2011, the commission may collect an additional sum not to exceed two hundred fifteen million dollars (\$215,000,000), for a sum total of moneys collected by imposing the surcharge described in paragraph (1) not to exceed three hundred fifteen million dollars (\$315,000,000). The commission may collect the additional sum beginning with the calendar year starting on January 1, 2011, and continuing through the 2020 calendar year, in an amount not to exceed twenty-five million dollars (\$25,000,000) per year, unless the commission determines that collecting a higher amount in any year will not result in an increase in the total amount of all surcharges collected from telephone customers that year.

(e) (1) All moneys in the California Advanced Services Fund shall be available, upon appropriation by the Legislature, to the

1 commission for the program administered by the commission
2 pursuant to this section, including the costs incurred by the
3 commission in developing, implementing, and administering the
4 program and the fund.

5 (2) Notwithstanding any other law and for the sole purpose of
6 providing matching funds pursuant to the federal American
7 Recovery and Reinvestment Act of 2009 (Public Law 111-5), any
8 entity eligible for funding pursuant to that act shall be eligible to
9 apply to participate in the program administered by the commission
10 pursuant to this section, if that entity otherwise satisfies the
11 eligibility requirements under that program. Nothing in this section
12 shall impede the ability of an incumbent local exchange carrier,
13 as defined by subsection (h) of Section 251 of Title 47 of the
14 United States Code, that is regulated under a rate of return
15 regulatory structure, to recover, in rate base, California
16 infrastructure investment not provided through federal or state
17 grant funds for facilities that provide broadband service and
18 California intrastate voice service.

19 (3) Notwithstanding subdivision (b) of Section 270, an entity
20 that is not a telephone corporation shall be eligible to apply to
21 participate in the program administered by the commission pursuant
22 to this section to provide access to broadband to an unserved or
23 underserved household, as defined in commission Decision
24 12-02-015, if the entity otherwise meets the eligibility requirements
25 and complies with program requirements established by the
26 commission. These requirements shall include all of the following:

27 (A) That projects under this paragraph provide last-mile
28 broadband access to households that are unserved by an existing
29 facilities-based broadband provider and only receive funding to
30 provide broadband access to households that are unserved or
31 underserved, as defined in commission Decision 12-02-015.

32 (B) That funding for a project providing broadband access to
33 an underserved household shall not be approved until after any
34 existing facilities-based provider has an opportunity to demonstrate
35 to the commission that it will, within a reasonable timeframe,
36 upgrade existing service. An existing facilities-based provider
37 may, but is not required to, apply for funding under this section to
38 make that upgrade.

39 (C) That the commission shall provide each applicant, and any
40 party challenging an application, the opportunity to demonstrate

1 actual levels of broadband service in the project area, which the
2 commission shall consider in reviewing the application.

3 (D) That a local governmental agency may be eligible for an
4 infrastructure grant only if the infrastructure project is for an
5 unserved household or business, the commission has conducted
6 an open application process, and no other eligible entity applied.

7 (E) That the commission shall establish a service list of
8 interested parties to be notified of California Advanced Services
9 Fund applications.

10 (f) Moneys in the Rural and Urban Regional Broadband
11 Consortia Grant Account shall be available for grants to eligible
12 consortia to fund the cost of broadband deployment activities other
13 than the capital cost of facilities, as specified by the commission.
14 An eligible consortium may include, as specified by the
15 commission, representatives of organizations, including, but not
16 limited to, local and regional government, public safety, elementary
17 and secondary education, health care, libraries, postsecondary
18 education, community-based organizations, tourism, parks and
19 recreation, agricultural, and business, and is not required to have
20 as its lead fiscal agent an entity with a certificate of public
21 convenience and necessity.

22 (g) Moneys in the Broadband Infrastructure Revolving Loan
23 Account shall be available to finance capital costs of broadband
24 facilities not funded by a grant from the Broadband Infrastructure
25 Grant Account. The commission shall periodically set interest rates
26 on the loans based on surveys of existing financial markets.

27 (h) (1) For purposes of this subdivision, the following terms
28 have the following meanings:

29 (A) "Publicly subsidized" means either that the housing
30 development receives financial assistance from the United States
31 Department of Housing and Urban Development pursuant to an
32 annual contribution contract or is financed with low-income
33 housing tax credits, tax-exempt mortgage revenue bonds, general
34 obligation bonds, or local, state, or federal loans or grants and the
35 rents of the occupants, who are lower income households, do not
36 exceed those prescribed by deed restrictions or regulatory
37 agreements pursuant to the terms of the financing or financial
38 assistance.

1 (B) “Publicly supported community” means a publicly
2 subsidized multifamily housing development that is wholly owned
3 by either of the following:

4 (i) A public housing agency that has been chartered by the state,
5 or by any city or county in the state, and has been determined to
6 be an eligible public housing agency by the United States
7 Department of Housing and Urban Development.

8 (ii) An incorporated nonprofit organization as described in
9 Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. Sec.
10 501(c)(3)) that is exempt from taxation under Section 501(a) of
11 that code (16 U.S.C. Sec. 501(a)), and that has received public
12 funding to subsidize the construction or maintenance of housing
13 occupied by residents whose annual income qualifies as “low” or
14 “very low” income according to federal poverty guidelines.

15 (2) Notwithstanding subdivision (b) of Section 270, moneys in
16 the Broadband Public Housing Account shall be available for the
17 commission to award grants and loans pursuant to this subdivision
18 to an eligible publicly supported community if that entity otherwise
19 meets eligibility requirements and complies with program
20 requirements established by the commission.

21 (3) Not more than twenty million dollars (\$20,000,000) shall
22 be available for grants and loans to a publicly supported community
23 to finance a project to connect a broadband network to that publicly
24 supported community. A publicly supported community may be
25 an eligible applicant only if the publicly supported community can
26 verify to the commission that the publicly supported community
27 has not denied a right of access to any broadband provider that is
28 willing to connect a broadband network to the facility for which
29 the grant or loan is sought.

30 (4) (A) Not more than five million dollars (\$5,000,000) shall
31 be available for grants and loans to a publicly supported community
32 to support programs designed to increase adoption rates for
33 broadband services for residents of that publicly supported
34 community. A publicly supported community may be eligible for
35 funding for a broadband adoption program only if the residential
36 units in the facility to be served have access to broadband services
37 or will have access to broadband services at the time the funding
38 for adoption is implemented.

1 (B) A publicly supported community may contract with other
2 nonprofit or public agencies to assist in implementation of a
3 broadband adoption program.

4 (5) To the extent feasible, the commission shall approve projects
5 for funding from the Broadband Public Housing Account in a
6 manner that reflects the statewide distribution of publicly supported
7 communities.

8 (6) In reviewing a project application under this subdivision,
9 the commission shall consider the availability of other funding
10 sources for that project, any financial contribution from the
11 broadband service provider to the project, the availability of any
12 other public or private broadband adoption or deployment program,
13 including tax credits and other incentives, and whether the applicant
14 has sought funding from, or participated in, any reasonably
15 available program. The commission may require an applicant to
16 provide match funding, and shall not deny funding for a project
17 solely because the applicant is receiving funding from another
18 source.

19 (7) (A) To provide funding for the purposes of this subdivision,
20 the commission shall transfer to the Broadband Public Housing
21 Account twenty million dollars (\$20,000,000) from the Broadband
22 Infrastructure Grant Account and five million dollars (\$5,000,000)
23 from the Broadband Revolving Loan Account. Any moneys in the
24 Broadband Public Housing Account that have not been awarded
25 pursuant to this subdivision by December 31, 2016, shall be
26 transferred back to the Broadband Infrastructure Grant Account
27 and Broadband Infrastructure Revolving Loan Account in
28 proportion to the amount transferred from the respective accounts.

29 (B) The commission shall transfer funds pursuant to
30 subparagraph (A) only if the commission is otherwise authorized
31 to collect funds for purposes of this section in excess of the total
32 amount authorized pursuant to paragraph (3) of subdivision (d).

33 *SEC. 3.5. Section 281 of the Public Utilities Code is amended*
34 *to read:*

35 281. (a) The commission shall develop, implement, and
36 administer the California Advanced Services Fund program to
37 encourage deployment of high-quality advanced communications
38 services to all Californians that will promote economic growth,
39 job creation, and the substantial social benefits of advanced

1 information and communications technologies, consistent with
2 this section.

3 (b) (1) The goal of the program is, no later than December 31,
4 2015, to approve funding for infrastructure projects that will
5 provide broadband access to no less than 98 percent of California
6 households.

7 (2) In approving infrastructure projects, the commission shall
8 give priority to projects that provide last-mile broadband access
9 to households that are unserved by an existing facilities-based
10 broadband provider. The commission shall provide each applicant,
11 and any party challenging an application, the opportunity to
12 demonstrate actual levels of broadband service in the project area,
13 which the commission shall consider in reviewing the application.

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15 the fund:

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18 Account.

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22 the commission pursuant to Decision 07-12-054 shall be
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26 Services Fund. Moneys collected on and after January 1, 2011,
27 shall be deposited in the following amounts in the following
28 accounts:

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30 Broadband Infrastructure Grant Account.

31 (B) ~~Ten~~*Fifteen* million dollars ~~(\$10,000,000)~~ *(\$15,000,000)*
32 into the Rural and Urban Regional Broadband Consortia Grant
33 Account.

34 (C) ~~Fifteen~~*Ten* million dollars ~~(\$15,000,000)~~ *(\$10,000,000)*
35 into the Broadband Infrastructure Revolving Loan Account.

36 (2) All interest earned on moneys in the fund shall be deposited
37 in the fund.

38 (3) The commission shall not collect moneys, by imposing the
39 surcharge described in paragraph (1) for deposit in the fund, in an
40 amount that exceeds one hundred million dollars (\$100,000,000)

1 before January 1, 2011. On and after January 1, 2011, the
2 commission may collect an additional sum not to exceed two
3 hundred fifteen million dollars (\$215,000,000), for a sum total of
4 moneys collected by imposing the surcharge described in paragraph
5 (1) not to exceed three hundred fifteen million dollars
6 (\$315,000,000). The commission may collect the additional sum
7 beginning with the calendar year starting on January 1, 2011, and
8 continuing through the 2020 calendar year, in an amount not to
9 exceed twenty-five million dollars (\$25,000,000) per year, unless
10 the commission determines that collecting a higher amount in any
11 year will not result in an increase in the total amount of all
12 surcharges collected from telephone customers that year.

13 (e) (1) All moneys in the California Advanced Services Fund
14 shall be available, upon appropriation by the Legislature, to the
15 commission for the program administered by the commission
16 pursuant to this section, including the costs incurred by the
17 commission in developing, implementing, and administering the
18 program and the fund.

19 (2) Notwithstanding any other law and for the sole purpose of
20 providing matching funds pursuant to the federal American
21 Recovery and Reinvestment Act of 2009 (Public Law 111-5), any
22 entity eligible for funding pursuant to that act shall be eligible to
23 apply to participate in the program administered by the commission
24 pursuant to this section, if that entity otherwise satisfies the
25 eligibility requirements under that program. Nothing in this section
26 shall impede the ability of an incumbent local exchange carrier,
27 as defined by subsection (h) of Section 251 of Title 47 of the
28 United States Code, that is regulated under a rate of return
29 regulatory structure, to recover, in rate base, California
30 infrastructure investment not provided through federal or state
31 grant funds for facilities that provide broadband service and
32 California intrastate voice service.

33 (3) Notwithstanding subdivision (b) of Section 270, an entity
34 that is not a telephone corporation shall be eligible to apply to
35 participate in the program administered by the commission pursuant
36 to this section to provide access to broadband to an unserved or
37 underserved household, as defined in commission Decision
38 12-02-015, if the entity otherwise meets the eligibility requirements
39 and complies with program requirements established by the
40 commission. These requirements shall include all of the following:

1 (A) That projects under this paragraph provide last-mile
2 broadband access to households that are unserved by an existing
3 facilities-based broadband provider and only receive funding to
4 provide broadband access to households that are unserved or
5 underserved, as defined in commission Decision 12-02-015.

6 (B) That funding for a project providing broadband access to
7 an underserved household shall not be approved until after any
8 existing facilities-based provider has an opportunity to demonstrate
9 to the commission that it will, within a reasonable timeframe,
10 upgrade existing service. An existing facilities-based provider
11 may, but is not required to, apply for funding under this section to
12 make that upgrade.

13 (C) That the commission shall provide each applicant, and any
14 party challenging an application, the opportunity to demonstrate
15 actual levels of broadband service in the project area, which the
16 commission shall consider in reviewing the application.

17 (D) That a local governmental agency may be eligible for an
18 infrastructure grant only if the infrastructure project is for an
19 unserved household or business, the commission has conducted
20 an open application process, and no other eligible entity applied.

21 (E) That the commission shall establish a service list of
22 interested parties to be notified of California Advanced Services
23 Fund applications.

24 (f) Moneys in the Rural and Urban Regional Broadband
25 Consortia Grant Account shall be available for grants to eligible
26 consortia to fund the cost of broadband deployment activities other
27 than the capital cost of facilities, as specified by the commission.
28 An eligible consortium may include, as specified by the
29 commission, representatives of organizations, including, but not
30 limited to, local and regional government, public safety, elementary
31 and secondary education, health care, libraries, postsecondary
32 education, community-based organizations, tourism, parks and
33 recreation, agricultural, and business, and is not required to have
34 as its lead fiscal agent an entity with a certificate of public
35 convenience and necessity.

36 (g) Moneys in the Broadband Infrastructure Revolving Loan
37 Account shall be available to finance capital costs of broadband
38 facilities not funded by a grant from the Broadband Infrastructure
39 Grant Account. The commission shall periodically set interest rates
40 on the loans based on surveys of existing financial markets.

1 (h) (1) For purposes of this subdivision, the following terms
2 have the following meanings:

3 (A) “Publicly subsidized” means either that the housing
4 development receives financial assistance from the United States
5 Department of Housing and Urban Development pursuant to an
6 annual contribution contract or is financed with low-income
7 housing tax credits, tax-exempt mortgage revenue bonds, general
8 obligation bonds, or local, state, or federal loans or grants and the
9 rents of the occupants, who are lower income households, do not
10 exceed those prescribed by deed restrictions or regulatory
11 agreements pursuant to the terms of the financing or financial
12 assistance.

13 (B) “Publicly supported community” means a publicly
14 subsidized multifamily housing development that is wholly owned
15 by either of the following:

16 (i) A public housing agency that has been chartered by the state,
17 or by any city or county in the state, and has been determined to
18 be an eligible public housing agency by the United States
19 Department of Housing and Urban Development.

20 (ii) An incorporated nonprofit organization as described in
21 Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. Sec.
22 501(c)(3)) that is exempt from taxation under Section 501(a) of
23 that code (16 U.S.C. Sec. 501(a)), and that has received public
24 funding to subsidize the construction or maintenance of housing
25 occupied by residents whose annual income qualifies as “low” or
26 “very low” income according to federal poverty guidelines.

27 (2) Notwithstanding subdivision (b) of Section 270, moneys in
28 the Broadband Public Housing Account shall be available for the
29 commission to award grants and loans pursuant to this subdivision
30 to an eligible publicly supported community if that entity otherwise
31 meets eligibility requirements and complies with program
32 requirements established by the commission.

33 (3) Not more than twenty million dollars (\$20,000,000) shall
34 be available for grants and loans to a publicly supported community
35 to finance a project to connect a broadband network to that publicly
36 supported community. A publicly supported community may be
37 an eligible applicant only if the publicly supported community can
38 verify to the commission that the publicly supported community
39 has not denied a right of access to any broadband provider that is

1 willing to connect a broadband network to the facility for which
2 the grant or loan is sought.

3 (4) (A) Not more than five million dollars (\$5,000,000) shall
4 be available for grants and loans to a publicly supported community
5 to support programs designed to increase adoption rates for
6 broadband services for residents of that publicly supported
7 community. A publicly supported community may be eligible for
8 funding for a broadband adoption program only if the residential
9 units in the facility to be served have access to broadband services
10 or will have access to broadband services at the time the funding
11 for adoption is implemented.

12 (B) A publicly supported community may contract with other
13 nonprofit or public agencies to assist in implementation of a
14 broadband adoption program.

15 (5) To the extent feasible, the commission shall approve projects
16 for funding from the Broadband Public Housing Account in a
17 manner that reflects the statewide distribution of publicly supported
18 communities.

19 (6) In reviewing a project application under this subdivision,
20 the commission shall consider the availability of other funding
21 sources for that project, any financial contribution from the
22 broadband service provider to the project, the availability of any
23 other public or private broadband adoption or deployment program,
24 including tax credits and other incentives, and whether the applicant
25 has sought funding from, or participated in, any reasonably
26 available program. The commission may require an applicant to
27 provide match funding, and shall not deny funding for a project
28 solely because the applicant is receiving funding from another
29 source.

30 (7) (A) To provide funding for the purposes of this subdivision,
31 the commission shall transfer to the Broadband Public Housing
32 Account twenty million dollars (\$20,000,000) from the Broadband
33 Infrastructure Grant Account and five million dollars (\$5,000,000)
34 from the Broadband Revolving Loan Account. Any moneys in the
35 Broadband Public Housing Account that have not been awarded
36 pursuant to this subdivision by December 31, 2016, shall be
37 transferred back to the Broadband Infrastructure Grant Account
38 and Broadband Infrastructure Revolving Loan Account in
39 proportion to the amount transferred from the respective accounts.

1 (B) The commission shall transfer funds pursuant to
2 subparagraph (A) only if the commission is otherwise authorized
3 to collect funds for purposes of this section in excess of the total
4 amount authorized pursuant to paragraph (3) of subdivision (d).

5 ~~(i) (1) The commission shall conduct two interim financial~~
6 ~~audits and a final financial audit and two interim performance~~
7 ~~audits and a final performance audit of the implementation and~~
8 ~~effectiveness of the California Advanced Services Fund to ensure~~
9 ~~that funds have been expended in accordance with the approved~~
10 ~~terms of the grant awards and loan agreements and this section.~~
11 ~~The commission shall report its interim findings to the Legislature~~
12 ~~by April 1, 2011, and April 1, 2017. The commission shall report~~
13 ~~its final findings to the Legislature by April 1, 2021. The reports~~
14 ~~shall also include an update to the maps in the final report of the~~
15 ~~California Broadband Task Force and data on the types and~~
16 ~~numbers of jobs created as a result of the program administered~~
17 ~~by the commission pursuant to this section.~~

18 ~~(2) (A) The requirement for submitting a report imposed under~~
19 ~~paragraph (1) is inoperative on January 1, 2022, pursuant to Section~~
20 ~~10231.5 of the Government Code.~~

21 ~~(B) A report to be submitted pursuant to paragraph (1) shall be~~
22 ~~submitted in compliance with Section 9795 of the Government~~
23 ~~Code.~~

24 ~~(j) (1) Beginning on January 1, 2012, and annually thereafter,~~
25 ~~the commission shall provide a report to the Legislature that~~
26 ~~includes all of the following information:~~

27 ~~(A) The amount of funds expended from the California~~
28 ~~Advanced Services Fund in the prior year.~~

29 ~~(B) The recipients of funds expended from the California~~
30 ~~Advanced Services Fund in the prior year.~~

31 ~~(C) The geographic regions of the state affected by funds~~
32 ~~expended from the California Advanced Services Fund in the prior~~
33 ~~year.~~

34 ~~(D) The expected benefits to be derived from the funds expended~~
35 ~~from the California Advanced Services Fund in the prior year.~~

36 ~~(E) Actual broadband adoption levels from the funds expended~~
37 ~~from the California Advanced Services Fund in the prior year.~~

38 ~~(F) The amount of funds expended from the California~~
39 ~~Advanced Services Fund used to match federal funds.~~

1 ~~(G) An update on the expenditures from California Advanced~~
2 ~~Services Fund and broadband adoption levels, and an accounting~~
3 ~~of remaining unserved and underserved households and areas of~~
4 ~~the state.~~

5 ~~(H) The status of the California Advanced Services Fund balance~~
6 ~~and the projected amount to be collected in each year through 2020~~
7 ~~to fund approved projects.~~

8 ~~(2) (A) The requirement for submitting a report imposed under~~
9 ~~paragraph (1) is inoperative on January 1, 2021, pursuant to Section~~
10 ~~10231.5 of the Government Code.~~

11 ~~(B) A report to be submitted pursuant to paragraph (1) shall be~~
12 ~~submitted in compliance with Section 9795 of the Government~~
13 ~~Code.~~

14 SEC. 4. Section 309.7 of the Public Utilities Code is amended
15 to read:

16 309.7. (a) The division of the commission responsible for
17 consumer protection and safety shall be responsible for inspection,
18 surveillance, and investigation of the rights-of-way, facilities,
19 equipment, and operations of railroads and public mass transit
20 guideways, and for enforcing state and federal laws, regulations,
21 orders, and directives relating to transportation of persons or
22 commodities, or both, of any nature or description by rail. The
23 division of the commission responsible for consumer protection
24 and safety shall advise the commission on all matters relating to
25 rail safety, and shall propose to the commission rules, regulations,
26 orders, and other measures necessary to reduce the dangers caused
27 by unsafe conditions on the railroads of the state. The delegation
28 of enforcement responsibility to the division of the commission
29 responsible for consumer protection and safety shall not diminish
30 the power of other agencies of state government to enforce laws
31 relating to employee or environmental safety, pollution prevention,
32 or public health and safety.

33 (b) In performing its duties, the division of the commission
34 responsible for consumer protection and safety shall exercise all
35 powers of investigation granted to the commission, including rights
36 to enter upon land or facilities, inspect books and records, and
37 compel testimony. The commission shall employ sufficient
38 federally certified inspectors to ensure at the time of inspection
39 that railroad locomotives and equipment and facilities located in
40 class I railroad yards in California are inspected not less frequently

1 than every 180 days, and all main and branch line tracks are
2 inspected not less frequently than every 12 months. In performing
3 its duties, the division of the commission responsible for consumer
4 protection and safety shall consult with representatives of railroad
5 corporations, labor organizations representing railroad employees,
6 and the Federal Railroad Administration.

7 (c) The general counsel shall assign to the division of the
8 commission responsible for consumer protection and safety the
9 personnel and attorneys necessary to fully utilize the powers
10 granted to the commission by any state law, and by any federal
11 law relating to rail transportation, including, but not limited to, the
12 Federal Rail Safety Act (45 U.S.C. Sec. 421m et seq.), to enforce
13 safety laws, rules, regulations, and orders, and to collect fines and
14 penalties resulting from the violation of any safety rule or
15 regulation.

16 (d) The activities of the division of the commission responsible
17 for consumer protection and safety that relate to safe operation of
18 common carriers by rail, other than those relating to grade crossing
19 protection, shall also be supported by the fees paid by railroad
20 corporations, if any, pursuant to Sections 421 to 424, inclusive.
21 The activities of the division of the commission responsible for
22 consumer protection and safety that relate to grade crossing
23 protection shall be supported by funds appropriated therefor from
24 the State Highway Account in the State Transportation Fund.

25 SEC. 5. Section 311.4 of the Public Utilities Code is amended
26 to read:

27 311.4. (a) On or after July 1, 2001, the commission shall
28 establish procedures to permit the submission of informal
29 complaints through electronic means in accordance with this
30 section.

31 (b) On or before January 1, 2002, the commission shall provide
32 on its Internet Web site the means by which consumers may submit
33 informal complaints through electronic means.

34 (c) For the purpose of this section, "electronic means" includes,
35 but shall not be limited to, email or the Internet, or both.

36 (d) Upon the receipt of an informal complaint submitted by
37 electronic means, the commission shall immediately forward the
38 complaint to the entity named in the complaint.

(e) The commission shall permit the submission of informal complaints through electronic means, if, as determined by the commission, both of the following conditions are met:

(1) The dollar amount in the complaint does not exceed the jurisdictional limit of a small claims court specified in subdivision (a) of Section 116.220 or Section 116.221 of the Code of Civil Procedure.

(2) The commission has addressed any impediments in the electronic systems employed by the commission that would prevent or substantially adversely affect the ability of the commission to receive informal complaints by electronic means.

(f) The commission shall include a notice on its Internet Web site of the availability of the procedures described in subdivision (a).

(g) For the purposes of implementing this section, the commission shall make available to the public an industry specific online complaint form that allows a customer to specify information that the commission determines to be relevant for purposes of resolving a dispute, including the account number, the type of dispute, and the opportunity to make general comments.

(h) This act may not be implemented, and no information technology-related preparatory work may be undertaken in connection with this act prior to July 1, 2001, without the concurrence of the commission and the authorization of the Department of Information Technology pursuant to Executive Order D-3-99.

SEC. 6. Section 321.6 of the Public Utilities Code is amended to read:

321.6. The president of the commission shall annually appear before the appropriate policy committees of the Senate and Assembly to present the annual report of the commission required pursuant to Section 910.

SEC. 7. Section 321.7 of the Public Utilities Code is amended and renumbered to read:

913.10. (a) On or before January 1, 2010, and biennially thereafter, the commission, in consultation with the Independent System Operator and the State Energy Resources Conservation and Development Commission, shall study, and submit a report to the Legislature and the Governor, on the impacts of distributed

1 energy generation on the state's distribution and transmission grid.

2 The study shall evaluate all of the following:

3 (1) Reliability and transmission issues related to connecting
4 distributed energy generation to the local distribution networks
5 and regional grid.

6 (2) Issues related to grid reliability and operation, including
7 interconnection, and the position of federal and state regulators
8 toward distributed energy accessibility.

9 (3) The effect on overall grid operation of various distributed
10 energy generation sources.

11 (4) Barriers affecting the connection of distributed energy to
12 the state's grid.

13 (5) Emerging technologies related to distributed energy
14 generation interconnection.

15 (6) Interconnection issues that may arise for the Independent
16 System Operator and local distribution companies.

17 (7) The effect on peak demand for electricity.

18 (b) In addition, the commission shall specifically assess the
19 impacts of the California Solar Initiative program, specified in
20 Section 2851 and Section 25783 of the Public Resources Code,
21 the self-generation incentive program authorized by Section 379.6,
22 and the net energy metering pilot program authorized by Section
23 2827.9.

24 SEC. 8. Section 326 of the Public Utilities Code is amended
25 and renumbered to read:

26 910.5. (a) By January 10 of each year, the commission shall
27 report to the Joint Legislative Budget Committee and appropriate
28 fiscal and policy committees of the Legislature, on all sources and
29 amounts of funding and actual and proposed expenditures, both
30 in the two prior fiscal years and for the proposed fiscal year,
31 including any costs to ratepayers, related to interactions by the
32 commission, its officers, or its staff with the California Public
33 Utilities Commission Foundation, or any derivative, or successor,
34 or with any agent or director of the foundation, including all of
35 the following:

36 (1) Attendance at meetings, conferences, or events organized
37 or sponsored by the foundation.

38 (2) Any contract or other agreement between the commission,
39 its officers, or its staff and the foundation, including agreements

1 relating to attendance at any educational or training conference or
2 event.

3 (3) Any agenda item, order, decision, resolution, or motion,
4 referencing the foundation.

5 (4) Endorsements of the foundation or its activities.

6 (5) Any contribution made to the foundation at the behest of a
7 member of the commission, its officers, or its staff, and any direct
8 or indirect contribution made to the foundation by a member of
9 the commission, its officers, or its staff. For purposes of this
10 paragraph, “contribution” means any payment, a forgiveness of a
11 loan, a payment of a loan by a third party, or an enforceable
12 promise to make a payment, except to the extent that full and
13 adequate consideration is received.

14 (b) (1) Within eight weeks of any contribution to the foundation
15 made at the behest of a member of the commission, its officers,
16 or its staff, the commission shall report the contribution to the Joint
17 Legislative Budget Committee and appropriate fiscal and policy
18 committees of the Legislature, and include any documents
19 pertaining to the contribution.

20 (2) Each report shall include certification from the commission
21 that the contribution does not violate the Conflict of Interest Code
22 and Statement of Incompatible Activities adopted pursuant to
23 Section 303.

24 SEC. 9. Section 326.5 of the Public Utilities Code is amended
25 and renumbered to read:

26 910.4. By January 10 of each year, the commission shall report
27 to the Joint Legislative Budget Committee and appropriate fiscal
28 and policy committees of the Legislature, on all sources and
29 amounts of funding and actual and proposed expenditures, both
30 in the two prior fiscal years and for the proposed fiscal year,
31 including any costs to ratepayers, related to both of the following:

32 (a) Entities or programs established by the commission by order,
33 decision, motion, settlement, or other action, including, but not
34 limited to, the California Clean Energy Fund, the California
35 Emerging Technology Fund, and the Pacific Forest and Watershed
36 Lands Stewardship Council. The report shall contain descriptions
37 of relevant issues, including, but not limited to, all of the following:

38 (1) Any governance structure established for an entity or
39 program.

1 (2) Any staff or employees hired by or for the entity or program
2 and their salaries and expenses.

3 (3) Any staff or employees transferred or loaned internally or
4 interdepartmentally for the entity or program and their salaries and
5 expenses.

6 (4) Any contracts entered into by the entity or program, the
7 funding sources for those contracts, and the legislative authority
8 under which the commission entered into the contract.

9 (5) The public process and oversight governing the entity or
10 program's activities.

11 (b) Entities or programs established by the commission, other
12 than those expressly authorized by statute, under the following
13 sections:

14 (1) Section 379.6.

15 (2) Section 399.8.

16 (3) Section 739.1.

17 (4) Section 2790.

18 (5) Section 2851.

19 SEC. 10. Section 364 of the Public Utilities Code is amended
20 to read:

21 364. (a) The commission shall adopt inspection, maintenance,
22 repair, and replacement standards, and shall, in a new proceeding,
23 or new phase of an existing proceeding, to commence on or before
24 July 1, 2015, consider adopting rules to address the physical
25 security risks to the distribution systems of electrical corporations.
26 The standards or rules, which shall be prescriptive or performance
27 based, or both, and may be based on risk management, as
28 appropriate, for each substantial type of distribution equipment or
29 facility, shall provide for high-quality, safe, and reliable service.

30 (b) In setting its standards or rules, the commission shall
31 consider: cost, local geography and weather, applicable codes,
32 potential physical security risks, national electric industry practices,
33 sound engineering judgment, and experience. The commission
34 shall also adopt standards for operation, reliability, and safety
35 during periods of emergency and disaster.

36 (c) The commission shall conduct a review to determine whether
37 the standards or rules prescribed in this section have been met. If
38 the commission finds that the standards or rules have not been
39 met, the commission may order appropriate sanctions, including
40 penalties in the form of rate reductions or monetary fines. The

1 review shall be performed after every major outage. Any money
2 collected pursuant to this subdivision shall be used to offset funding
3 for the California Alternative Rates for Energy Program.

4 (d) The commission may, consistent with other provisions of
5 law, withhold from the public information generated or obtained
6 pursuant to this section that it deems would pose a security threat
7 to the public if disclosed.

8 SEC. 11. Section 379.7 of the Public Utilities Code is amended
9 to read:

10 379.7. (a) The Legislature finds and declares that the
11 demonstration project authorized pursuant to this section, at the
12 Antelope Valley Fairgrounds, to determine actual energy and cost
13 savings that may be achieved when investments are made onsite
14 to both reduce overall electricity demand and to offset peak
15 electricity demand through the installation of (1) cost-effective
16 energy efficient equipment and fixtures, and (2) a photovoltaic
17 solar energy system, will provide valuable empirical data upon
18 which to optimize future ratepayer investments in cost-effective
19 energy efficiency and photovoltaic solar systems.

20 (b) (1) The demonstration project authorized pursuant to this
21 section shall be referred to as the Antelope Valley Fairgrounds EE
22 and PV Synergy Demonstration Project.

23 (2) To ensure that potential energy and cost savings from
24 cost-effective energy efficient equipment and fixtures are achieved,
25 the Antelope Valley Fairgrounds shall do both of the following:

26 (A) Implement the recommendations of the energy audit
27 performed on July 27, 2004.

28 (B) Include cost-effective energy efficient equipment and
29 fixtures in all future expansions of the fairgrounds.

30 (3) To ensure that potential energy and cost savings are achieved
31 from a photovoltaic solar energy system of up to 630 kilowatts
32 installed at the Antelope Valley Fairgrounds, the photovoltaic solar
33 energy system shall meet both of the following criteria:

34 (A) Be installed in a manner that optimizes operating efficiency,
35 including appropriate siting.

36 (B) Consist of components that are new and unused and have
37 a warranty of not less than 10 years to protect against defects and
38 undue degradation of electrical generation output.

39 (c) An electrical corporation providing electrical service to the
40 Antelope Valley Fairgrounds shall, by February 1, 2006, file with

1 the commission a tariff providing for an incentive rate consistent
2 with this section. The incentive rate shall provide stability and
3 certainty over a 10-year period in an amount and in a manner to
4 support investment in, and to test the durability of, the photovoltaic
5 solar energy system installed at the fairgrounds. The incentive rate,
6 together with an incentive from the self-generation incentive
7 program that recognizes the energy efficiency investments made
8 at the fairgrounds as authorized pursuant to Section 379.6, shall
9 provide for a 10-year payback period for the photovoltaic solar
10 energy system. The incentive rate shall not result in any cost
11 shifting among customer classes of the electrical corporation.

12 (d) Actual energy and cost savings shall be determined through
13 annual energy audits and ongoing metering of electricity used and
14 electricity produced on a time-of-use basis.

15 (e) The demonstration project will be complete 10 years from
16 the date the Antelope Valley Fairgrounds first takes electrical
17 service pursuant to the incentive rate required by this section.

18 (f) This section shall remain in effect only until January 1, 2017,
19 and as of that date is repealed, unless a later enacted statute, that
20 is enacted before January 1, 2017, deletes or extends that date.

21 SEC. 12. Section 399.19 of the Public Utilities Code is
22 amended and renumbered to read:

23 913.6. The commission, in consultation with the Energy
24 Commission, shall report to the Legislature by January 1 of every
25 even-numbered year on all of the following:

26 (a) The progress and status of procurement activities by each
27 retail seller pursuant to the California Renewables Portfolio
28 Standard Program (Article 16 (commencing with Section 399.11)
29 of Chapter 2.3).

30 (b) The status of permitting and siting eligible renewable energy
31 resources and transmission facilities necessary to supply electricity
32 generated to load, including the time taken to permit each eligible
33 renewable energy resource and transmission line or upgrade,
34 explanations of failures to meet permitting milestones, and
35 recommendations for improvements to expedite permitting and
36 siting processes.

37 (c) The projected ability of each electrical corporation to meet
38 the renewables portfolio standard procurement requirements under
39 the cost limitations in subdivision (d) of Section 399.15 and any
40 recommendations for revisions of those cost limitations.

(d) Any barriers to, and policy recommendations for, achieving the renewables portfolio standard pursuant to the California Renewables Portfolio Standard Program (Article 16 (commencing with Section 399.11) of Chapter 2.3).

SEC. 13. Section 421 of the Public Utilities Code is amended to read:

421. (a) The commission shall annually determine a fee to be paid by every passenger stage corporation, charter-party carrier of passengers, pipeline corporation, for-hire vessel operator, common carrier vessel operator, railroad corporation, and commercial air operator, and every other common carrier and related business subject to the jurisdiction of the commission, except as otherwise provided in Article 3 (commencing with Section 431) of this chapter and Chapter 6 (commencing with Section 5001) of Division 2.

(b) The annual fee shall be established to produce a total amount equal to the amount established in the authorized commission budget for the same year, including adjustments appropriated by the Legislature and an appropriate reserve, to regulate common carriers and related businesses, less the amount to be paid from special accounts or funds pursuant to Section 403, reimbursements, federal funds, other revenues, and unencumbered funds from the preceding year.

(c) Notwithstanding any other provision of law, the fees paid by railroad corporations shall be used for state-funded railroad investigation and enforcement activities of the commission, other than the rail safety activities funded by the Transportation Planning and Development Account pursuant to Section 99315. The railroad fees shall be set annually at a level which generates not less than the amount sufficient to fund activities pursuant to Sections 765.5, 916.2, and 7712.

(d) On January 1, 1992, the commission shall submit to the Legislature a detailed budget implementing this section for the 1992–93 fiscal year. The commission shall also submit to the Legislature by January 1, 1993, and on each January 1 thereafter, a detailed budget for expenditure of railroad corporation fees for the ensuing budget year. The budget for expenditure of railroad corporation fees, for each of the 1996–97 and 1997–98 fiscal years, shall not exceed the amount of three million dollars (\$3,000,000). Expenditures of this budget shall be limited to the following items:

1 (1) Expenditures for employees occupying, and actually
2 performing service in, railroad-safety personnel positions that are
3 directly involved in inspecting railroads and enforcing rail safety
4 regulations. The commission shall expend the funds budgeted
5 pursuant to this subdivision for the salaries, per diem, and travel
6 expenses of employees specified in this paragraph, unless, by
7 statute, the commission is specifically prohibited from expending
8 all or part of those funds.

9 (2) Expenditures for employees occupying, and actually
10 performing service in, clerical and support staff positions that are
11 directly associated with railroad-safety inspections.

12 (3) Expenditures for legal personnel who actually pursue
13 violations of rail safety regulations beyond the informal complaint
14 level.

15 (4) Expenditures for an audit by the California State Auditor's
16 Office pursuant to subdivision (f), not to exceed seventy-five
17 thousand dollars (\$75,000).

18 (5) Expenditures for the pro rata share of the commission's
19 overhead costs while state personnel are actually occupying the
20 positions, and are performing the duties specified in paragraphs
21 (1) to (4), inclusive.

22 (e) The Department of Finance shall notify the Joint Legislative
23 Budget Committee, pursuant to Section 28.00 of the annual Budget
24 Act, prior to authorizing any change in the Budget Act
25 appropriation for railroad corporation fees that is larger than one
26 hundred thousand dollars (\$100,000), or 10 percent of the amount
27 budgeted, whichever is less.

28 (f) Except as otherwise provided in this subdivision,
29 commencing with the 1993–94 fiscal year, and in each subsequent
30 fiscal year until the 1999–2000 fiscal year, the commission shall
31 conduct an audit of the expenditure of the funds received pursuant
32 to this section, except that for the 1996–97 fiscal year and fiscal
33 years thereafter the audit shall be conducted by the California State
34 Auditor's Office. The results of this audit shall be reported, in
35 writing, commencing on or before February 15, 1995, with respect
36 to the audit for the 1993–94 fiscal year, and on or before January
37 15 of each year thereafter, with respect to the audit for the fiscal
38 year ending on the previous June 30, to the appropriate policy and
39 budget committees of the respective houses of the Legislature. The

1 commission shall reimburse the California State Auditor's Office
2 for the costs of the audits beginning with the 1996–97 fiscal year.

3 (g) On or before January 1, 1994, the commission shall hire a
4 minimum of four additional operating practices inspectors,
5 exclusive of supervisory personnel, who are, or shall become by
6 July 1, 1994, federally certified, for the purpose of enforcing
7 compliance by railroads operating in this state with state and federal
8 safety regulations.

9 (h) The commission, in performing its duties, shall limit the
10 expenditure of funds for rail safety purposes to those railroad
11 corporation fees collected pursuant to subdivision (d). In no event,
12 shall the commission fund railroad safety activities utilizing funds
13 from other commission accounts unrelated to railroad safety.

14 *SEC. 14. Section 432.5 of the Public Utilities Code is amended*
15 *and renumbered to read:*

16 ~~432.5.~~

17 910.2. (a) The commission shall report to the Legislature the
18 collections from each class of utility and expenditures, both direct
19 and indirect, for regulatory and other authorized commission
20 activities affecting each class. Where expenditures are for overhead,
21 allocations of services common to several classes, or for
22 commission-wide activities, the methods used to calculate the
23 expenditures attributed to the class shall be described in reasonable
24 detail.

25 (b) The report shall be furnished to the Legislature within 60
26 days after the end of the fiscal year, and shall be subject to audit.
27 The commission shall maintain information and reports necessary
28 to perform an audit pursuant to this section.

29 ~~SEC. 14.~~

30 *SEC. 15.* The heading of Article 5 (commencing with Section
31 581) of Chapter 3 of Part 1 of Division 1 of the Public Utilities
32 Code is amended to read:

33
34 Article 5. Reports to the Commission
35

36 ~~SEC. 15. Section 432.5 of the Public Utilities Code is amended~~
37 ~~and renumbered to read:~~

38 ~~910.2.—(a) The commission shall report to the Legislature the~~
39 ~~collections from each class of utility and expenditures, both direct~~
40 ~~and indirect, for regulatory and other authorized commission~~

1 activities affecting each class. Where expenditures are for overhead,
2 allocations of services common to several classes, or for
3 commission-wide activities, the methods used to calculate the
4 expenditures attributed to the class shall be described in reasonable
5 detail.

6 ~~(b) The report shall be furnished to the Legislature within 60~~
7 ~~days after the end of the fiscal year, and shall be subject to audit.~~
8 ~~The commission shall maintain information and reports necessary~~
9 ~~to perform an audit pursuant to this section.~~

10 SEC. 16. Section 590 is added to the Public Utilities Code, to
11 read:

12 590. The commission shall require each electrical corporation
13 to report annually on its compliance with the standards or rules
14 adopted by the commission pursuant to Section 364. That report
15 shall be made available to the public, except that the commission
16 may, consistent with other provisions of law, withhold from the
17 public information generated or obtained pursuant to this section
18 that it deems would pose a security threat to the public if disclosed.

19 SEC. 17. Section 740.3 of the Public Utilities Code is amended
20 to read:

21 740.3. (a) The commission, in cooperation with the State
22 Energy Conservation and Development Commission, the State Air
23 Resources Board, air quality management districts and air pollution
24 control districts, regulated electrical and gas corporations, and the
25 motor vehicle industry, shall evaluate and implement policies to
26 promote the development of equipment and infrastructure needed
27 to facilitate the use of electric power and natural gas to fuel
28 low-emission vehicles. Policies to be considered shall include both
29 of the following:

30 (1) The sale-for-resale and the rate-basing of low-emission
31 vehicles and supporting equipment such as batteries for electric
32 vehicles and compressor stations for natural gas fueled vehicles.

33 (2) The development of statewide standards for electric vehicle
34 charger connections and compressed natural gas vehicle fueling
35 connections, including installation procedures and technical
36 assistance to installers.

37 (b) The commission shall hold public hearings as part of its
38 effort to evaluate and implement the new policies considered in
39 subdivision (a).

(c) The commission's policies authorizing utilities to develop equipment or infrastructure needed for electric-powered and natural gas-fueled low-emission vehicles shall ensure that the costs and expenses of those programs are not passed through to electric or gas ratepayers unless the commission finds and determines that those programs are in the ratepayers' interest. The commission's policies shall also ensure that utilities do not unfairly compete with nonutility enterprises.

SEC. 18. Section 747 of the Public Utilities Code is amended to read:

747. It is the intent of the Legislature that the commission reduce rates for electricity and natural gas to the lowest amount possible.

SEC. 19. Section 747.6 of the Public Utilities Code is amended and renumbered to read:

913.9. The commission shall report annually on its efforts to identify ratepayer-funded energy efficiency programs that are similar to programs administered by the Energy Commission, the State Air Resources Board, and the California Alternative Energy and Advanced Transportation Financing Authority in its annual report prepared pursuant to Section 913 and to require revisions to ratepayer-funded programs as necessary to ensure that the ratepayer-funded programs complement and do not duplicate programs of other state agencies.

SEC. 20. Section 748 of the Public Utilities Code is amended and renumbered to read:

913.1. (a) The commission, by May 1, 2010, and by each May 1 thereafter, shall prepare and submit a written report, separate from and in addition to the report required by Section 913, to the Governor and Legislature that contains the commission's recommendations for actions that can be undertaken during the succeeding 12 months to limit utility cost and rate increases, consistent with the state's energy and environmental goals, including goals for reducing emissions of greenhouse gases.

(b) In preparing the report required by subdivision (a), the commission shall require electrical corporations with 1,000,000 or more retail customers in California, and gas corporations with 500,000 or more retail customers in California, to study and report on measures the corporation recommends be undertaken to limit costs and rate increases.

1 (c) The commission shall post the report required by subdivision
2 (a) in a conspicuous area of its Internet Web site.

3 SEC. 21. Section 765 of the Public Utilities Code is amended
4 to read:

5 765. (a) When the federal National Transportation Safety
6 Board (NTSB) submits a safety recommendation letter concerning
7 rail safety to the commission, the commission shall provide the
8 NTSB with a formal written response to each recommendation no
9 later than 90 days after receiving the letter. The response shall
10 state one of the following:

11 (1) The commission's intent to implement the recommendations
12 in full, with a proposed timetable for implementation of the
13 recommendations.

14 (2) The commission's intent to implement part of the
15 recommendations, with a proposed timetable for implementation
16 of those recommendations, and detailed reasons for the
17 commission's refusal to implement those recommendations that
18 the commission does not intend to implement.

19 (3) The commission's refusal to implement the
20 recommendations, with detailed reasons for the commission's
21 refusal to implement the recommendations.

22 (b) If the NTSB issues a safety recommendation letter
23 concerning any commission-regulated rail facility to the United
24 States Department of Transportation, the Federal Transit
25 Administration, a commission-regulated rail operator, or the
26 commission, or if the Federal Transit Administration issues a safety
27 advisory concerning any commission-regulated rail facility, the
28 commission shall determine if implementation of the
29 recommendation or advisory is appropriate. The basis for the
30 commission's determination shall be detailed in writing and shall
31 be approved by a majority vote of the commission.

32 (c) If the commission determines that a safety recommendation
33 made by the NTSB is appropriate, or that action concerning a
34 safety advisory is necessary, the commission shall issue orders or
35 adopt rules to implement the safety recommendation or advisory
36 as soon as practicable. In implementing the safety recommendation
37 or advisory, the commission shall consider whether a more
38 effective, or equally effective and less costly, alternative exists to
39 address the safety issue that the recommendation or advisory
40 addresses.

1 SEC. 22. Section 765.6 of the Public Utilities Code is amended
2 and renumbered to read:

3 916.3. (a) The commission shall annually report to the
4 Legislature on or before November 30 of each year on its
5 compliance with the requirements of Section 765.5. The annual
6 report shall include a determination by the commission of the
7 impact on competition, if any, of the regulatory fees assessed
8 railroad corporations and motor carriers for the support of the
9 commission's activities.

10 (b) The commission may combine the information required by
11 this section with the report prepared pursuant to Section 916.

12 SEC. 23. Section 785 of the Public Utilities Code is amended
13 to read:

14 785. To the extent consistent with federal law and regulation
15 and contractual obligations regarding other available gas, the
16 commission shall, in consultation with the Division of Oil and Gas
17 of the Department of Conservation and with the State Energy
18 Resources Conservation and Development Commission, encourage,
19 as a first priority, the increased production of gas in this state,
20 including gas produced from that area of the Pacific Ocean along
21 the coast of California commonly known as the outer continental
22 shelf, and shall require, after a hearing, every gas corporation to
23 purchase that gas which is compatible with the corporation's gas
24 plant and which is produced in this state having an actual delivered
25 cost, measured in equivalent heat units, equal to or less than other
26 available gas, unless this requirement will result in higher overall
27 costs of gas or other consequences adverse to the interests of gas
28 customers.

29 SEC. 24. Section 846 of the Public Utilities Code is amended
30 to read:

31 846. The authority of the commission to issue financing orders
32 pursuant to Section 841 shall expire on December 31, 2016. The
33 expiration of the authority shall have no effect upon financing
34 orders adopted by the commission pursuant to this article or any
35 transition property arising therefrom, or upon the charges
36 authorized to be levied thereunder, or the rights, interests, and
37 obligations of the electrical corporation or a financing entity or
38 holders of transition bonds pursuant to the financing order, or the
39 authority of the commission to monitor, supervise, or take further

1 action with respect to the order in accordance with the terms of
2 this article and of the order.

3 SEC. 25. Section 873 of the Public Utilities Code is amended
4 to read:

5 873. (a) The commission shall annually do all of the following:

6 (1) Designate a class of lifeline service necessary to meet
7 minimum communications needs.

8 (2) Set the rates and charges for that service.

9 (3) Develop eligibility criteria for that service.

10 (4) Assess the degree of achievement of universal service,
11 including telephone penetration rates by income, ethnicity, and
12 geography.

13 (b) Minimum communications needs includes, but is not limited
14 to, the ability to originate and receive calls and the ability to access
15 electronic information services.

16 SEC. 26. The heading of Article 11 (commencing with Section
17 910) of Chapter 4 of Part 1 of Division 1 of the Public Utilities
18 Code is amended to read:

19
20 Article 11. Reports to the Legislature
21

22 SEC. 27. Section 910 of the Public Utilities Code is amended
23 and renumbered to read:

24 913.3. (a) By May 1 of each year, the commission shall prepare
25 and submit to the policy and fiscal committees of the Legislature
26 a written report summarizing the following information:

27 (1) All electrical corporation revenue requirement increases
28 associated with meeting the renewables portfolio standard, as
29 defined in Section 399.12, including direct procurement costs for
30 eligible renewable energy resources and renewable energy credits,
31 administrative expenses for procurement, expenses incurred to
32 ensure a reliable supply of electricity, and expenses for upgrades
33 to the electrical transmission and distribution grid necessary to the
34 delivery of electricity from eligible renewable energy resources
35 to load.

36 (2) All cost savings experienced, or costs avoided, by electrical
37 corporations as a result of meeting the renewables portfolio
38 standard.

39 (3) All costs incurred by electrical corporations for incentives
40 for distributed and renewable generation, including the

1 self-generation incentive program, the California Solar Initiative,
2 and net energy metering.

3 (4) All cost savings experienced, or costs avoided, by electrical
4 corporations as a result of incentives for distributed and renewable
5 generation.

6 (5) All pending requests by an electrical corporation seeking
7 recovery in rates for renewable, fossil fuel, and nuclear
8 procurement costs, research, study, or pilot program costs.

9 (6) The decision number for each decision of the commission
10 authorizing recovery in rates of costs incurred by an electrical
11 corporation since the preceding report.

12 (7) Any change in the electrical load serviced by an electrical
13 corporation since the preceding report.

14 (8) The efforts each electrical corporation is taking to recruit
15 and train employees to ensure an adequately trained and available
16 workforce, including the number of new employees hired by the
17 electrical corporation for purposes of implementing the
18 requirements of Article 16 (commencing with Section 399.11) of
19 Chapter 2.3, the goals adopted by the electrical corporation for
20 increasing women, minority, and disabled veterans trained or hired
21 for purposes of implementing the requirements of Article 16
22 (commencing with Section 399.11) of Chapter 2.3, and, to the
23 extent information is available, the number of new employees
24 hired and the number of women, minority, and disabled veterans
25 trained or hired by persons or corporations owning or operating
26 eligible renewable energy resources under contract with an
27 electrical corporation. This paragraph does not provide the
28 commission with authority to engage in, regulate, or expand its
29 authority to include, workforce recruitment or training.

30 (b) The commission may combine the information required by
31 this section with the reports prepared pursuant to Article 16
32 (commencing with Section 399.11) of Chapter 2.3.

33 SEC. 28. Section 910 is added to the Public Utilities Code, to
34 read:

35 910. The commission shall do all of the following:

36 (a) Develop, publish, and annually update an annual workplan
37 *report* that describes in clear detail the scheduled ratemaking
38 proceedings and other decisions that may be considered by the
39 commission during the calendar year. ~~The plan~~ *workplan report*
40 shall include, but is not limited to, information on how members

1 of the public and ratepayers can gain access to the commission's
2 ratemaking process and information regarding the specific matters
3 to be decided. The ~~plan~~ *workplan report* shall also include
4 information on the operation of the office of the public advisor
5 and identify the names and telephone numbers of those contact
6 persons responsible for specific cases and matters to be decided.
7 The ~~plan~~ *workplan report* shall also include a statement that
8 specifies activities that the commission proposes to reduce the
9 costs of, and rates for, energy, including electricity, and for
10 improving the competitive opportunities for state agriculture and
11 other rural energy consumers. The commission shall post the ~~plan~~
12 *workplan report* under the Official Documents area of its Internet
13 Web site and shall develop a program to disseminate the
14 information in the ~~plan~~ *workplan report* utilizing computer mailing
15 lists to provide regular updates on the information to those
16 members of the public and organizations that request the
17 information.

18 (b) Produce *with the annual workplan report*, a complete
19 accounting of its transactions and proceedings for the preceding
20 year, together with other facts, suggestions, and recommendations
21 that it deems of value to the people of the state, and a statement
22 that specifies the activities and achievements of the commission
23 in reducing the costs of, and rates for, energy, including electricity,
24 for state agriculture and other rural energy consumers.

25 (c) Submit annually the ~~plan, accounting, and report required~~
26 ~~by subdivisions (a) and (c) workplan report~~ to the Governor and
27 Legislature no later than February 1 of each year. ~~A report to be~~
28 ~~submitted pursuant to this subdivision shall be submitted in~~
29 ~~compliance with Section 9795 of the Government Code.~~

30 SEC. 29. Section 910.1 is added to the Public Utilities Code,
31 to read:

32 910.1. The commission shall annually submit a report to the
33 Legislature on the number of cases where resolution exceeded the
34 time periods prescribed in scoping memos and the days that
35 commissioners presided in hearings.

36 SEC. 30. Section 910.3 is added to the Public Utilities Code,
37 to read:

38 910.3. (a) The commission shall provide a report to the
39 Legislature on September 1 of each year, on the progress of
40 activities undertaken by each electrical, gas, water, wireless

1 telecommunications service provider, and telephone corporation
2 with gross annual revenues exceeding twenty-five million dollars
3 (\$25,000,000), in the implementation of women, minority, disabled
4 veteran, and LGBT business enterprise development programs
5 pursuant to Article 5 (commencing with Section 8281) of Chapter
6 7 of Division 4. The report shall include information about which
7 procurements are made with women, minority, disabled veteran,
8 and LGBT business enterprises with at least a majority of the
9 enterprise's workforce in California, to the extent that information
10 is readily accessible. The commission shall recommend a program
11 for carrying out the policy declared in Article 5 (commencing with
12 Section 8281) of Chapter 7 of Division 4, together with
13 recommendations for legislation that it deems necessary or
14 desirable to further that policy. The commission shall make the
15 report available on its Internet Web site.

16 (b) In regard to disabled veteran business enterprises, the
17 commission shall ensure that the programs and legislation
18 recommended pursuant to subdivision (a) are consistent with the
19 disabled veteran business enterprise certification eligibility
20 requirements imposed by the Department of General Services and
21 that the recommendations include only those disabled veteran
22 business enterprises certified by the Department of General
23 Services.

24 (c) The commission shall include the information about LGBT
25 business enterprises required by subdivision (a) beginning with
26 the report due on September 1, 2016.

27 SEC. 31. Section 910.6 is added to the Public Utilities Code,
28 to read:

29 910.6. It is the intent of the Legislature that, commencing one
30 year from the date that the procedures described in subdivision (a)
31 of Section 311.4 are implemented, the commission annually review
32 the procedures and the technology involved to ensure the continued
33 effectiveness of the program, and report any findings to the
34 Legislature.

35 SEC. 32. Section 911 of the Public Utilities Code is amended
36 and renumbered to read:

37 913.4. (a) Notwithstanding subdivision (g) of Section 454.5
38 and Section 583, no later than May 1 of each year, the commission
39 shall release to the Legislature the costs of all electricity
40 procurement contracts for eligible renewable energy resources,

1 including unbundled renewable energy credits, and all costs for
2 utility-owned generation approved by the commission. The first
3 report shall include all costs commencing January 1, 2003.
4 Subsequent reports shall include only costs for the preceding
5 calendar year.

6 (1) For power purchase contracts, the commission shall release
7 costs in an aggregated form categorized according to the year the
8 procurement transaction was approved by the commission, the
9 eligible renewable energy resource type, including bundled
10 renewable energy credits, the average executed contract price, and
11 average actual recorded costs for each kilowatthour of production.
12 Within each renewable energy resource type, the commission shall
13 provide aggregated costs for different project size thresholds.

14 (2) For each utility-owned renewable generation project, the
15 commission shall release the costs forecast by the electrical
16 corporation at the time of initial approval and the actual recorded
17 costs for each kilowatthour of production during the preceding
18 calendar year.

19 (b) This section does not require the release of the terms of any
20 individual electricity procurement contracts for eligible renewable
21 energy resources, including unbundled renewable energy credits,
22 approved by the commission. The commission shall aggregate
23 data to the extent required to ensure protection of the confidentiality
24 of individual contract costs even if this aggregation requires
25 grouping contracts of different energy resource type. The
26 commission shall not be required to release the data in any year
27 when there are fewer than three contracts approved.

28 (c) The commission may combine the information required by
29 this section with the report prepared pursuant to Section 913.3.

30 SEC. 33. Section 911.1 is added to the Public Utilities Code,
31 to read:

32 911.1. An action taken by the commission on a safety
33 recommendation letter or advisory bulletin concerning gas pipeline
34 safety issued by the federal National Transportation Safety Board
35 (NTSB) shall be reported annually, in detail, to the Legislature
36 with the report required by Section 910. Correspondence from the
37 NTSB that indicates that a recommendation of the NTSB has been
38 closed following an action that the NTSB finds unacceptable shall
39 be noted in the report required by Section 910.

SEC. 34. Section 912 is added to the Public Utilities Code, to read:

912. A summary of the audits conducted by the commission pursuant to Section 314.5 shall be provided annually to the Legislature. The commission may provide this information as part of its annual report delivered pursuant to Section 910.

SEC. 35. Section 912.2 is added to the Public Utilities Code, to read:

912.2. (a) The commission shall conduct two interim financial audits and a final financial audit and two interim performance audits and a final performance audit of the implementation and effectiveness of the California Advanced Services Fund to ensure that funds have been expended in accordance with the approved terms of the grant awards and loan agreements pursuant to Section 281. The commission shall report its interim findings to the Legislature by April 1, 2011, and April 1, 2017. The commission shall report its final findings to the Legislature by April 1, 2021. The reports shall also include an update to the maps in the final report of the California Broadband Task Force and data on the types and numbers of jobs created as a result of the program administered by the commission pursuant to Section 281.

(b) Pursuant to Section 10231.5 of the Government Code, this section is repealed on January 1, 2022.

SEC. 36. Section 913 is added to the Public Utilities Code, to read:

913. (a) The reporting requirements of this section apply to electrical corporations with at least 1,000,000 retail customers in California and gas corporations with at least 500,000 retail customers in California.

(b) The commission shall prepare a written report on the costs of programs and activities conducted by each electrical corporation and gas corporation that is subject to this section, including activities conducted to comply with their duty to serve. The report shall be completed on an annual basis before April 1 of each year, and shall identify, clearly and concisely, all of the following:

(1) Each program mandated by statute and its annual cost to ratepayers.

(2) Each program mandated by the commission and its annual cost to ratepayers.

1 (3) Energy purchase contract costs and bond-related costs
2 incurred pursuant to Division 27 (commencing with Section 80000)
3 of the Water Code.

4 (4) All other aggregated categories of costs currently recovered
5 in retail rates as determined by the commission.

6 (c) The report required by subdivision (b) shall be submitted to
7 the Governor and the Legislature no later than April 1 of each year.

8 (d) The commission shall post the report required by subdivision
9 (b) in a conspicuous area of its Internet Web site.

10 SEC. 37. ~~Section 913.2 is added to the Public Utilities Code,~~
11 ~~to read:~~

12 ~~913.2. The commission shall, on or before the end of the first~~
13 ~~month of each quarter, submit to the relevant fiscal and policy~~
14 ~~committees of each house of the Legislature, a report on its~~
15 ~~activities related to community choice aggregation. The report~~
16 ~~shall include detailed information on the formal procedures~~
17 ~~established by the commission in order to monitor and ensure~~
18 ~~compliance by electrical corporations with Section 366.2 and any~~
19 ~~code of conduct or associated rules adopted by the commission~~
20 ~~pursuant to Section 707. The report shall include, but not be limited~~
21 ~~to, all of the following information:~~

22 ~~(a) (1) A detailed description of the commission's process for~~
23 ~~enabling communities interested in becoming community choice~~
24 ~~aggregators, communities currently in the process of becoming~~
25 ~~community choice aggregators, and existing community choice~~
26 ~~aggregators to obtain timely utility compliance with paragraph (9)~~
27 ~~of subdivision (c) of Section 366.2.~~

28 ~~(2) The description shall include the process provided by the~~
29 ~~commission to allow prospective or existing community choice~~
30 ~~aggregators to identify specific matters on which the electrical~~
31 ~~corporation is not considered to be cooperating fully. For each~~
32 ~~identified matter, the prospective or existing community choice~~
33 ~~aggregator shall detail in writing the issue, the lack of full~~
34 ~~cooperation, and the personnel at the electrical corporation with~~
35 ~~whom the community choice aggregator is working. The electrical~~
36 ~~corporation shall be required to respond in writing by providing a~~
37 ~~specific solution to the matter raised by the prospective or existing~~
38 ~~community choice aggregator, including a date-specific timeline~~
39 ~~for accomplishing the solution, and the names of personnel~~
40 ~~responsible for providing the solution.~~

~~(3) The commission's report to the Legislature shall provide a detailed summary of each matter identified and initiated by the community choice aggregator, and a detailed verification of the electrical corporation's actions taken to address and resolve these issues, including verification of the satisfaction of the community choice aggregator. The report shall also itemize any matters that have been improperly raised by the community choice aggregator using this process.~~

~~(b) A detailed description of information obtained by the commission from the electrical corporations in order to monitor the electrical corporations' activities and expenditures made to facilitate, or oppose, community choice aggregation. The information shall include an itemization of all activities undertaken by an electrical corporation, as identified by the commission or by a community pursuing community choice aggregation, the costs of those activities, and whether the costs were paid by ratepayers or shareholders of the electrical corporation. For each activity, the commission shall provide a detailed explanation as to whether the activity or expenditure is legally permissible, and, if not, of the actions taken by the commission in response.~~

~~(c) A detailed description of the actions taken by the commission to ensure customer requirements relative to customers exercising their option not to participate in community choice aggregation pursuant to Section 366.2 are properly implemented and to ensure full compliance by an electrical corporation. The description shall include an itemization of all actions taken by the commission to ensure compliance with these requirements and a detailed description of the commission's formal process for monitoring and ensuring timely compliance with the requirements.~~

~~SEC. 38.~~

~~SEC. 37.~~ Section 913.5 is added to the Public Utilities Code, to read:

913.5. In order to evaluate the progress of the state's electrical corporations in complying with the California Renewables Portfolio Standard Program (Article 16 (commencing with Section 399.11) of Chapter 2.3), the commission shall report to the Legislature on or before the first day of each quarter on all of the following:

(a) The progress of each electrical corporation in meeting the renewables portfolio standard, as defined in Section 399.12.

1 (b) For each electrical corporation, an implementation schedule
2 to achieve the renewables portfolio standard procurement
3 requirements, including all substantive actions that have been taken
4 or will be taken to achieve the program procurement requirements.

5 (c) Any renewable energy procurement plan approved by the
6 commission pursuant to Section 399.13, schedule, and status report
7 for all substantive procurement, transmission development, and
8 other activities that the commission has approved to be undertaken
9 by an electrical corporation to achieve the procurement
10 requirements of the renewables portfolio standard.

11 ~~SEC. 39.~~

12 ~~SEC. 38.~~ Section ~~913.12~~ *913.11* is added to the Public Utilities
13 Code, to read:

14 ~~913.12.~~

15 *913.11.* The commission shall provide a progress report to the
16 Legislature by January 30 of each odd-numbered year concerning
17 policies on rates, equipment, and infrastructure implemented by
18 the commission and other state agencies, federal and local
19 governmental agencies, and private industry to facilitate the use
20 of electricity to power, and natural gas to fuel, low-emission
21 vehicles.

22 ~~SEC. 40.~~

23 ~~SEC. 39.~~ Section ~~913.13~~ *913.12* is added to the Public Utilities
24 Code, to read:

25 ~~913.13.~~

26 *913.12.* On or before June 30 of each year, the commission
27 shall submit to the Legislature an assessment of the success of the
28 California Solar Initiative program. That assessment shall include
29 the number of residential and commercial sites that have installed
30 solar thermal devices for which an award was made pursuant to
31 subdivision (b) of Section 2851 and the dollar value of the award,
32 the number of residential and commercial sites that have installed
33 solar energy systems, the electrical generating capacity of the
34 installed solar energy systems, the cost of the program, total
35 electrical system benefits, including the effect on electrical service
36 rates, environmental benefits, how the program affects the
37 operation and reliability of the electrical grid, how the program
38 has affected peak demand for electricity, the progress made toward
39 reaching the goals of the program, whether the program is on
40 schedule to meet the program goals, and recommendations for

1 improving the program to meet its goals. If the commission
2 allocates additional moneys to research, development, and
3 demonstration that explores solar technologies and other distributed
4 generation technologies pursuant to paragraph (1) of subdivision
5 (c) of Section 2851, the commission shall include in the assessment
6 submitted to the Legislature, a description of the program, a
7 summary of each award made or project funded pursuant to the
8 program, including the intended purposes to be achieved by the
9 particular award or project, and the results of each award or project.

10 ~~SEC. 41.~~

11 ~~SEC. 40.~~ Section ~~913.14~~ 913.13 is added to the Public Utilities
12 Code, to read:

13 ~~913.14.~~

14 913.13. The commission shall annually report to the Legislature
15 on its implementation of Section 785.

16 ~~SEC. 42.~~

17 ~~SEC. 41.~~ Section 914 is added to the Public Utilities Code, to
18 read:

19 914. The commission shall annually report the information
20 required to be reported by public utilities pursuant to Section 7912,
21 to the Assembly Committee on Utilities and Commerce and the
22 Senate Committee on Energy, Utilities and Communications, or
23 their successor committees, and within a reasonable time thereafter,
24 shall make the information available to the public on its Internet
25 Web site.

26 ~~SEC. 43.~~

27 ~~SEC. 42.~~ Section 914.1 is added to the Public Utilities Code,
28 to read:

29 914.1. The commission shall annually report to the Legislature,
30 in a document that can be made public, information relative to the
31 actions undertaken by the commission implementing the lifeline
32 telecommunications universal service program pursuant to
33 subdivision (a) of Section 873.

34 ~~SEC. 44.~~

35 ~~SEC. 43.~~ Section 914.2 is added to the Public Utilities Code,
36 to read:

37 914.2. The commission, in its annual report prepared pursuant
38 to Section 914.1, shall assess whether having telephone
39 corporations provide the name and address of its lifeline customers
40 to other public utilities for the purpose of low-income ratepayer

1 assistance outreach efforts has been helpful in the low-income
2 ratepayer assistance outreach efforts.

3 ~~SEC. 45.~~

4 *SEC. 44.* Section 914.3 is added to the Public Utilities Code,
5 to read:

6 914.3. By July 1 of each year, the commission shall submit to
7 the Governor and the Legislature a report that includes, based on
8 yearend data, on an aggregated basis, the information submitted
9 by holders pursuant to subdivision (b) of Section 5960. All
10 information reported by the commission pursuant to this section
11 shall be disclosed to the public only as provided for pursuant to
12 Section 583. No individually identifiable customer or subscriber
13 information shall be subject to public disclosure.

14 ~~SEC. 46.~~

15 *SEC. 45.* Section 914.4 is added to the Public Utilities Code,
16 to read:

17 914.4. The commission shall annually report the information
18 required to be reported by holders of state franchises pursuant to
19 Section 5920, to the Assembly Committee on Utilities and
20 Commerce and the Senate Committee on Energy, Utilities and
21 Communications, or their successor committees, and within a
22 reasonable time thereafter, shall make the information available
23 to the public on its Internet Web site.

24 ~~SEC. 47.~~

25 *SEC. 46.* Section 914.5 is added to the Public Utilities Code,
26 to read:

27 914.5. (a) The commission shall prepare and submit to the
28 Legislature, on or before March 1 of each year, a report on the
29 fiscal status of the programs established and funded pursuant to
30 Sections 2881, 2881.1, and 2881.2. The report shall include a
31 statement of the surcharge level established pursuant to subdivision
32 (g) of Section 2881 and revenues produced by the surcharge, an
33 accounting of program expenses, and an evaluation of options for
34 controlling those expenses and increasing program efficiency,
35 including, but not limited to, all of the following proposals:

36 (1) The establishment of a means test for persons to qualify for
37 program equipment or free or reduced charges for the use of
38 telecommunication services.

39 (2) If and to the extent not prohibited under Section 401 of the
40 federal Americans with Disabilities Act of 1990 (Public Law

1 101-336), as amended (47 U.S.C. Sec. 225), the imposition of
2 limits or other restrictions on maximum usage levels for the relay
3 service, which shall include the development of a program to
4 provide basic communications requirements to all relay users at
5 discounted rates, including discounted toll-call rates, and, for usage
6 in excess of those basic requirements, at rates that recover the full
7 costs of service.

8 (3) More efficient means for obtaining and distributing
9 equipment to qualified subscribers.

10 (4) The establishment of quality standards for increasing the
11 efficiency of the relay system.

12 (5) Any modification to the program in order to maximize
13 participation and funding opportunity under similar federal
14 programs.

15 (b) Pursuant to Section 10231.5 of the Government Code, this
16 section is repealed on January 1, 2021.

17 ~~SEC. 48.~~

18 *SEC. 47.* Section 914.6 is added to the Public Utilities Code,
19 to read:

20 914.6. The commission shall report to the Legislature and the
21 Governor annually on the effectiveness of the program
22 administered pursuant to subdivision (c) of Section 280.5.

23 ~~SEC. 49.~~

24 *SEC. 48.* Section 914.7 is added to the Public Utilities Code,
25 to read:

26 914.7. (a) By January 1 of each year, the commission shall
27 provide a report to the Legislature that includes all of the following
28 information:

29 (1) The amount of funds expended from the California Advanced
30 Services Fund in the prior year.

31 (2) The recipients of funds expended from the California
32 Advanced Services Fund in the prior year.

33 (3) The geographic regions of the state affected by funds
34 expended from the California Advanced Services Fund in the prior
35 year.

36 (4) The expected benefits to be derived from the funds expended
37 from the California Advanced Services Fund in the prior year.

38 (5) Actual broadband adoption levels from the funds expended
39 from the California Advanced Services Fund in the prior year.

1 (6) The amount of funds expended from the California Advanced
2 Services Fund used to match federal funds.

3 (7) An update on the expenditures from California Advanced
4 Services Fund and broadband adoption levels, and an accounting
5 of remaining unserved and underserved households and areas of
6 the state.

7 (8) The status of the California Advanced Services Fund balance
8 and the projected amount to be collected in each year through 2020
9 to fund approved projects.

10 (b) Pursuant to Section 10231.5 of the Government Code, this
11 section is repealed on January 1, 2021.

12 ~~SEC. 50.~~

13 *SEC. 49.* Section 915 of the Public Utilities Code is amended
14 and renumbered to read:

15 911. (a) Beginning February 1, 2016, the commission shall
16 annually publish a report that includes all investigations into gas
17 or electric service safety incidents reported, pursuant to commission
18 requirements, by any gas corporation or electrical corporation. The
19 report shall succinctly describe each safety investigation concluded
20 during the prior calendar year and each investigation that remains
21 open. The categories within the description shall include the month
22 of the safety incident, the reason for the investigation, the facility
23 type involved, and the owner of the facility.

24 (b) The commission shall include in its ~~work plan~~, *report*
25 required pursuant to Section 910, a summary of the staff safety
26 investigations concluded during the prior calendar year and the
27 staff safety investigations that remain open for any gas corporation
28 or electrical corporation, with a link to the Internet Web site with
29 the report that contains the information required pursuant to
30 subdivision (a).

31 ~~SEC. 51.~~

32 *SEC. 50* Section 916 is added to the Public Utilities Code, to
33 read:

34 916. On or before November 30 of each year, the commission
35 shall report to the Legislature on its rail safety activities.

36 ~~SEC. 52.~~

37 *SEC. 51.* Section 916.1 is added to the Public Utilities Code,
38 to read:

39 916.1. The commission shall annually report the results of its
40 investigation pursuant to subdivision (d) of Section 7661 relative

1 to any incident that results in a notification required pursuant to
2 subdivision (b) of Section 7661, including its findings concerning
3 the cause or causes of the incident and any action undertaken by
4 the commission in response to those findings. The commission
5 may include the information required to be reported pursuant to
6 this section in its report to the Legislature pursuant to Section 916.

7 ~~SEC. 53.~~

8 *SEC. 52.* Section 916.4 is added to the Public Utilities Code,
9 to read:

10 916.4. An action taken by the commission on a safety
11 recommendation letter or safety advisory pursuant to Section 765
12 shall be reported annually, in detail, to the Legislature with the
13 report required by Section 910. Correspondence from the federal
14 National Transportation Safety Board indicating that a
15 recommendation has been closed following an action that the
16 federal National Transportation Safety Board finds unacceptable
17 shall be noted in the report required by Section 910.

18 ~~SEC. 54.~~

19 *SEC. 53.* Section 919 is added to the Public Utilities Code, to
20 read:

21 919. (a) The Antelope Valley Fairgrounds shall submit biennial
22 reports to the commission and to the Legislature relative to the
23 Antelope Valley Fairgrounds EE and PV Synergy Demonstration
24 Project. The reports shall include actual recorded electricity usage
25 by the fairgrounds and electricity produced by the photovoltaic
26 solar energy system at the fairgrounds, on a time-of-use basis. A
27 final report shall be submitted to the commission and to the
28 Legislature within six months of the conclusion of the
29 demonstration project. The final report shall include an analysis
30 of the energy and cost savings achieved at the fairgrounds, the
31 effectiveness of combining investment in energy efficiency and a
32 photovoltaic solar energy system on the same site, the performance
33 and durability of the photovoltaic solar energy system over the life
34 of the demonstration project, and recommendations for optimizing
35 ratepayer investment in energy efficiency and photovoltaic solar
36 energy systems.

37 (b) This section shall remain in effect only until January 1, 2017,
38 and as of that date is repealed, unless a later enacted statute, that
39 is enacted before January 1, 2017, deletes or extends that date.

1 ~~SEC. 55.~~

2 *SEC. 54.* Section 920 is added to the Public Utilities Code, to
3 read:

4 920. (a) (1) Unless expressly directed otherwise, a report to
5 be submitted to the Legislature pursuant to this article is to be
6 submitted in compliance with Section 9795 of the Government
7 Code, except that an electronic copy may be submitted to the
8 Secretary of the Senate, unless specifically requested to submit a
9 printed copy of the report, with an electronic copy submitted to
10 Legislative Counsel in compliance with subdivision (c) of Section
11 10242.5 of the Government Code.

12 (2) Any report that is expressly directed to be submitted to a
13 committee of the Legislature shall be submitted as an electronic
14 copy, unless specifically requested to submit a printed copy by
15 chair of that committee, with an electronic copy submitted to
16 Legislative Counsel in compliance with subdivision (c) of Section
17 10242.5 of the Government Code.

18 (b) Any report required to be submitted to the Governor pursuant
19 to this article shall be submitted as an electronic copy unless
20 specifically requested to submit a printed copy of the report by the
21 Governor.

22 ~~SEC. 56.~~

23 *SEC. 55.* Section 958.5 of the Public Utilities Code is amended
24 to read:

25 958.5. (a) Twice a year, or as determined by the commission,
26 each gas corporation shall file with the division of the commission
27 responsible for consumer protection and safety a gas transmission
28 and storage safety report. The division of the commission
29 responsible for consumer protection and safety shall review the
30 reports to monitor each gas corporation's storage and
31 pipeline-related activities to assess whether the projects that have
32 been identified as high risk are being carried out, and to track
33 whether the gas corporation is spending its allocated funds on these
34 storage and pipeline-related safety, reliability, and integrity
35 activities for which they have received approval from the
36 commission.

37 (b) The gas transmission and storage safety report shall include
38 a thorough description and explanation of the strategic planning
39 and decisionmaking approach used to determine and rank the gas
40 storage projects, intrastate transmission line safety, integrity, and

1 reliability, operation and maintenance activities, and inspections
2 of its intrastate transmission lines. If there has been no change in
3 the gas corporation's approach for determining and ranking which
4 projects and activities are prioritized since the previous gas
5 transmission and storage safety report, the subsequent report may
6 reference the immediately preceding report.

7 (c) If the division of the commission responsible for consumer
8 protection and safety determines that there is a deficiency in a gas
9 corporation's prioritization or administration of the storage or
10 pipeline capital projects or operation and maintenance activities,
11 the division shall bring the problems to the commission's
12 immediate attention.

13 ~~SEC. 57.~~

14 *SEC. 56.* Section 960 of the Public Utilities Code is amended
15 to read:

16 960. (a) When the federal National Transportation Safety
17 Board (NTSB) submits a safety recommendation letter concerning
18 gas pipeline safety to the commission, the commission shall provide
19 the NTSB with a formal written response to each recommendation
20 not later than 90 days after receiving the letter. The response shall
21 state one of the following:

22 (1) The commission's intent to implement the recommendations
23 in full, with a proposed timetable for implementation of the
24 recommendations.

25 (2) The commission's intent to implement part of the
26 recommendations, with a proposed timetable for implementation
27 of those recommendations, and detailed reasons for the
28 commission's refusal to implement those recommendations that
29 the commission does not intend to implement.

30 (3) The commission's refusal to implement the
31 recommendations, with detailed reasons for the commission's
32 refusal to implement the recommendations.

33 (b) If the NTSB issues a safety recommendation letter
34 concerning any commission-regulated gas pipeline facility to the
35 United States Department of Transportation, the federal Pipeline
36 and Hazardous Materials Safety Administration (PHMSA), a gas
37 corporation, or the commission, or the PHMSA issues an advisory
38 bulletin concerning any commission-regulated gas pipeline facility,
39 the commission shall determine if implementation of the
40 recommendation or advisory is appropriate. The basis for the

1 commission's determination shall be detailed in writing and shall
2 be approved by a majority vote of the commission.

3 (c) If the commission determines that a safety recommendation
4 made by the NTSB is appropriate or that action concerning an
5 advisory bulletin is necessary, the commission shall issue orders
6 or adopt rules to implement the safety recommendation or advisory
7 as soon as practicable. In implementing the safety recommendation
8 or advisory, the commission shall consider whether a more
9 effective, or equally effective and less costly, alternative exists to
10 address the safety issue that the recommendation or advisory
11 addresses.

12 ~~SEC. 58.~~

13 *SEC. 57.* Section 2851 of the Public Utilities Code, as amended
14 by Section 41 of Chapter 24 of the Statutes of 2015, is amended
15 to read:

16 2851. (a) In implementing the California Solar Initiative, the
17 commission shall do all of the following:

18 (1) (A) The commission shall authorize the award of monetary
19 incentives for up to the first megawatt of alternating current
20 generated by solar energy systems that meet the eligibility criteria
21 established by the Energy Commission pursuant to Chapter 8.8
22 (commencing with Section 25780) of Division 15 of the Public
23 Resources Code. The commission shall determine the eligibility
24 of a solar energy system, as defined in Section 25781 of the Public
25 Resources Code, to receive monetary incentives until the time the
26 Energy Commission establishes eligibility criteria pursuant to
27 Section 25782. Monetary incentives shall not be awarded for solar
28 energy systems that do not meet the eligibility criteria. The
29 incentive level authorized by the commission shall decline each
30 year following implementation of the California Solar Initiative,
31 at a rate of no less than an average of 7 percent per year, and,
32 except as provided in subparagraph (B), shall be zero as of
33 December 31, 2016. The commission shall adopt and publish a
34 schedule of declining incentive levels no less than 30 days in
35 advance of the first decline in incentive levels. The commission
36 may develop incentives based upon the output of electricity from
37 the system, provided those incentives are consistent with the
38 declining incentive levels of this paragraph and the incentives
39 apply to only the first megawatt of electricity generated by the
40 system.

1 (B) The incentive level for the installation of a solar energy
2 system pursuant to Section 2852 shall be zero as of December 31,
3 2021.

4 (2) The commission shall adopt a performance-based incentive
5 program so that by January 1, 2008, 100 percent of incentives for
6 solar energy systems of 100 kilowatts or greater and at least 50
7 percent of incentives for solar energy systems of 30 kilowatts or
8 greater are earned based on the actual electrical output of the solar
9 energy systems. The commission shall encourage, and may require,
10 performance-based incentives for solar energy systems of less than
11 30 kilowatts. Performance-based incentives shall decline at a rate
12 of no less than an average of 7 percent per year. In developing the
13 performance-based incentives, the commission may:

14 (A) Apply performance-based incentives only to customer
15 classes designated by the commission.

16 (B) Design the performance-based incentives so that customers
17 may receive a higher level of incentives than under incentives
18 based on installed electrical capacity.

19 (C) Develop financing options that help offset the installation
20 costs of the solar energy system, provided that this financing is
21 ultimately repaid in full by the consumer or through the application
22 of the performance-based rebates.

23 (3) By January 1, 2008, the commission, in consultation with
24 the Energy Commission, shall require reasonable and cost-effective
25 energy efficiency improvements in existing buildings as a condition
26 of providing incentives for eligible solar energy systems, with
27 appropriate exemptions or limitations to accommodate the limited
28 financial resources of low-income residential housing.

29 (4) Notwithstanding subdivision (g) of Section 2827, the
30 commission may develop a time-variant tariff that creates the
31 maximum incentive for ratepayers to install solar energy systems
32 so that the system's peak electricity production coincides with
33 California's peak electricity demands and that ensures that
34 ratepayers receive due value for their contribution to the purchase
35 of solar energy systems and customers with solar energy systems
36 continue to have an incentive to use electricity efficiently. In
37 developing the time-variant tariff, the commission may exclude
38 customers participating in the tariff from the rate cap for residential
39 customers for existing baseline quantities or usage by those
40 customers of up to 130 percent of existing baseline quantities, as

1 required by Section 739.9. Nothing in this paragraph authorizes
2 the commission to require time-variant pricing for ratepayers
3 without a solar energy system.

4 (b) Notwithstanding subdivision (a), in implementing the
5 California Solar Initiative, the commission may authorize the award
6 of monetary incentives for solar thermal and solar water heating
7 devices, in a total amount up to one hundred million eight hundred
8 thousand dollars (\$100,800,000).

9 (c) (1) In implementing the California Solar Initiative, the
10 commission shall not allocate more than fifty million dollars
11 (\$50,000,000) to research, development, and demonstration that
12 explores solar technologies and other distributed generation
13 technologies that employ or could employ solar energy for
14 generation or storage of electricity or to offset natural gas usage.
15 Any program that allocates additional moneys to research,
16 development, and demonstration shall be developed in
17 collaboration with the Energy Commission to ensure there is no
18 duplication of efforts, and adopted by the commission through a
19 rulemaking or other appropriate public proceeding. Any grant
20 awarded by the commission for research, development, and
21 demonstration shall be approved by the full commission at a public
22 meeting. This subdivision does not prohibit the commission from
23 continuing to allocate moneys to research, development, and
24 demonstration pursuant to the self-generation incentive program
25 for distributed generation resources originally established pursuant
26 to Chapter 329 of the Statutes of 2000, as modified pursuant to
27 Section 379.6.

28 (2) The Legislature finds and declares that a program that
29 provides a stable source of monetary incentives for eligible solar
30 energy systems will encourage private investment sufficient to
31 make solar technologies cost effective.

32 (d) (1) The commission shall not impose any charge upon the
33 consumption of natural gas, or upon natural gas ratepayers, to fund
34 the California Solar Initiative.

35 (2) Notwithstanding any other provision of law, any charge
36 imposed to fund the program adopted and implemented pursuant
37 to this section shall be imposed upon all customers not participating
38 in the California Alternate Rates for Energy (CARE) or family
39 electric rate assistance (FERA) programs, including those
40 residential customers subject to the rate limitation specified in

1 Section 739.9 for existing baseline quantities or usage up to 130
2 percent of existing baseline quantities of electricity.

3 (3) The costs of the program adopted and implemented pursuant
4 to this section shall not be recovered from customers participating
5 in the California Alternate Rates for Energy or CARE program
6 established pursuant to Section 739.1, except to the extent that
7 program costs are recovered out of the nonbypassable system
8 benefits charge authorized pursuant to Section 399.8.

9 (e) Except as provided in subdivision (f), in implementing the
10 California Solar Initiative, the commission shall ensure that the
11 total cost over the duration of the program does not exceed three
12 billion five hundred fifty million eight hundred thousand dollars
13 (\$3,550,800,000). Except as provided in subdivision (f), financial
14 components of the California Solar Initiative shall consist of the
15 following:

16 (1) Programs under the supervision of the commission funded
17 by charges collected from customers of San Diego Gas and Electric
18 Company, Southern California Edison Company, and Pacific Gas
19 and Electric Company. Except as provided in subdivision (f), the
20 total cost over the duration of these programs shall not exceed two
21 billion three hundred sixty-six million eight hundred thousand
22 dollars (\$2,366,800,000) and includes moneys collected directly
23 into a tracking account for support of the California Solar Initiative.

24 (2) Programs adopted, implemented, and financed in the amount
25 of seven hundred eighty-four million dollars (\$784,000,000), by
26 charges collected by local publicly owned electric utilities pursuant
27 to Section 2854. Nothing in this subdivision shall give the
28 commission power and jurisdiction with respect to a local publicly
29 owned electric utility or its customers.

30 (3) (A) Programs for the installation of solar energy systems
31 on new construction (New Solar Homes Partnership Program),
32 administered by the Energy Commission, and funded by charges
33 in the amount of four hundred million dollars (\$400,000,000),
34 collected from customers of San Diego Gas and Electric Company,
35 Southern California Edison Company, and Pacific Gas and Electric
36 Company. If the commission is notified by the Energy Commission
37 that funding available pursuant to Section 25751 of the Public
38 Resources Code for the New Solar Homes Partnership Program
39 and any other funding for the purposes of this paragraph have been
40 exhausted, the commission may require an electrical corporation

1 to continue administration of the program pursuant to the guidelines
2 established for the program by the Energy Commission, until the
3 funding limit authorized by this paragraph has been reached. The
4 commission may determine whether a third party, including the
5 Energy Commission, should administer the utility's continuation
6 of the New Solar Homes Partnership Program. The commission,
7 in consultation with the Energy Commission, shall supervise the
8 administration of the continuation of the New Solar Homes
9 Partnership Program by an electrical corporation or third-party
10 administrator. After the exhaustion of funds, the Energy
11 Commission shall notify the Joint Legislative Budget Committee
12 30 days prior to the continuation of the program. This subparagraph
13 shall become inoperative on June 1, 2018.

14 (B) If the commission requires a continuation of the program
15 pursuant to subparagraph (A), any funding made available pursuant
16 to the continuation program shall be encumbered through the
17 issuance of rebate reservations by no later than June 1, 2018, and
18 disbursed by no later than December 31, 2021.

19 (4) The changes made to this subdivision by Chapter 39 of the
20 Statutes of 2012 do not authorize the levy of a charge or any
21 increase in the amount collected pursuant to any existing charge,
22 nor do the changes add to, or detract from, the commission's
23 existing authority to levy or increase charges.

24 (f) Upon the expenditure or reservation in any electrical
25 corporation's service territory of the amount specified in paragraph
26 (1) of subdivision (e) for low-income residential housing programs
27 pursuant to subdivision (c) of Section 2852, the commission shall
28 authorize the continued collection of the charge for the purposes
29 of Section 2852. The commission shall ensure that the total amount
30 collected pursuant to this subdivision does not exceed one hundred
31 eight million dollars (\$108,000,000). Upon approval by the
32 commission, an electrical corporation may use amounts collected
33 pursuant to subdivision (e) for purposes of funding the general
34 market portion of the California Solar Initiative, that remain
35 unspent and unencumbered after December 31, 2016, to reduce
36 the electrical corporation's portion of the total amount collected
37 pursuant to this subdivision.

38 ~~SEC. 59.~~

39 SEC. 58. Section 2881 of the Public Utilities Code is amended
40 to read:

1 2881. (a) The commission shall design and implement a
2 program to provide a telecommunications device capable of serving
3 the needs of individuals who are deaf or hearing impaired, together
4 with a single party line, at no charge additional to the basic
5 exchange rate, to a subscriber who is certified as an individual
6 who is deaf or hearing impaired by a licensed physician and
7 surgeon, audiologist, or a qualified state or federal agency, as
8 determined by the commission, and to a subscriber that is an
9 organization representing individuals who are deaf or hearing
10 impaired, as determined and specified by the commission pursuant
11 to subdivision (h). A licensed hearing aid dispenser may certify
12 the need of an individual to participate in the program if that
13 individual has been previously fitted with an amplified device by
14 the dispenser and the dispenser has the individual's hearing records
15 on file prior to certification. In addition, a physician assistant may
16 certify the needs of an individual who has been diagnosed by a
17 physician and surgeon as being deaf or hearing impaired to
18 participate in the program after reviewing the medical records or
19 copies of the medical records containing that diagnosis.

20 (b) The commission shall also design and implement a program
21 to provide a dual-party relay system, using third-party intervention
22 to connect individuals who are deaf or hearing impaired and offices
23 of organizations representing individuals who are deaf or hearing
24 impaired, as determined and specified by the commission pursuant
25 to subdivision (h), with persons of normal hearing by way of
26 intercommunications devices for individuals who are deaf or
27 hearing impaired and the telephone system, making available
28 reasonable access of all phases of public telephone service to
29 telephone subscribers who are deaf or hearing impaired. In order
30 to make a dual-party relay system that will meet the requirements
31 of individuals who are deaf or hearing impaired available at a
32 reasonable cost, the commission shall initiate an investigation,
33 conduct public hearings to determine the most cost-effective
34 method of providing dual-party relay service to the deaf or hearing
35 impaired when using a telecommunications device, and solicit the
36 advice, counsel, and physical assistance of statewide nonprofit
37 consumer organizations of the deaf, during the development and
38 implementation of the system. The commission shall apply for
39 certification of this program under rules adopted by the Federal
40 Communications Commission pursuant to Section 401 of the

1 federal Americans with Disabilities Act of 1990 (Public Law
2 101-336).

3 (c) The commission shall also design and implement a program
4 whereby specialized or supplemental telephone communications
5 equipment may be provided to subscribers who are certified to be
6 disabled at no charge additional to the basic exchange rate. The
7 certification, including a statement of visual or medical need for
8 specialized telecommunications equipment, shall be provided by
9 a licensed optometrist, physician and surgeon, or physician
10 assistant, acting within the scope of practice of his or her license,
11 or by a qualified state or federal agency as determined by the
12 commission. The commission shall, in this connection, study the
13 feasibility of, and implement, if determined to be feasible, personal
14 income criteria, in addition to the certification of disability, for
15 determining a subscriber's eligibility under this subdivision.

16 (d) (1) The commission shall also design and implement a
17 program to provide access to a speech-generating device to any
18 subscriber who is certified as having a speech disability at no
19 charge additional to the basic exchange rate. The certification shall
20 be provided by a licensed physician, licensed speech-language
21 pathologist, or qualified state or federal agency. The commission
22 shall provide to a certified subscriber access to a speech-generating
23 device that is all of the following:

24 (A) A telecommunications device or a device that includes a
25 telecommunications component.

26 (B) Appropriate to meet the subscriber's needs for access to,
27 and use of, the telephone network, based on the recommendation
28 of a licensed speech-language pathologist.

29 (C) Consistent with the quality of speech-generating devices
30 available for purchase in the state.

31 (2) The commission shall adopt rules to implement this
32 subdivision and subdivision (e) by January 1, 2014.

33 (e) All of the following apply to any device or equipment
34 described in this section that is classified as durable medical
35 equipment under guidelines established by the United States
36 Department of Health and Human Services:

37 (1) It is the intent of the Legislature that the commission be the
38 provider of last resort and that eligible subscribers first obtain
39 coverage from any available public or private insurance.

1 (2) The commission may require the subscriber to provide
2 information about coverage for any or all of the cost of the device
3 or equipment that is available from any public or private insurance,
4 the cost to the subscriber of any deductible, copayment, or other
5 relevant expense, and any related benefit cap information.

6 (3) The total cost of any device or equipment provided to a
7 subscriber under this section shall not exceed the rate of
8 reimbursement provided by Medi-Cal for that device or equipment.

9 (f) Nothing in this section requires the commission to provide
10 training to a subscriber on the use of a speech-generating device.

11 (g) The commission shall establish a rate recovery mechanism
12 through a surcharge not to exceed one-half of 1 percent uniformly
13 applied to a subscriber's intrastate telephone service, other than
14 one-way radio paging service and universal telephone service,
15 both within a service area and between service areas, to allow
16 providers of the equipment and service specified in subdivisions
17 (a), (b), (c), and (d) to recover costs as they are incurred under this
18 section. The surcharge shall be in effect until January 1, 2020. The
19 commission shall require that the programs implemented under
20 this section be identified on subscribers' bills, and shall establish
21 a fund and require separate accounting for each of the programs
22 implemented under this section.

23 (h) The commission shall determine and specify those statewide
24 organizations representing the deaf or hearing impaired that shall
25 receive a telecommunications device pursuant to subdivision (a)
26 or a dual-party relay system pursuant to subdivision (b), or both,
27 and in which offices the equipment shall be installed in the case
28 of an organization having more than one office.

29 (i) The commission may direct a telephone corporation subject
30 to its jurisdiction to comply with its determinations and
31 specifications pursuant to this section.

32 (j) The commission shall annually review the surcharge level
33 and the balances in the funds established pursuant to subdivision
34 (g). Until January 1, 2020, the commission may make, within the
35 limits set by subdivision (g), any necessary adjustments to the
36 surcharge to ensure that the programs supported thereby are
37 adequately funded and that the fund balances are not excessive. A
38 fund balance that is projected to exceed six months' worth of
39 projected expenses at the end of the fiscal year is excessive.

(k) In order to continue to meet the access needs of individuals with functional limitations of hearing, vision, movement, manipulation, speech, and interpretation of information, the commission shall perform ongoing assessment of, and if appropriate, expand the scope of the program to allow for additional access capability consistent with evolving telecommunications technology.

(l) The commission shall structure the programs required by this section so that a charge imposed to promote the goals of universal service reasonably equals the value of the benefits of universal service to contributing entities and their subscribers.

~~SEC. 60.~~

SEC. 59. Section 2891 of the Public Utilities Code is amended to read:

2891. (a) No telephone or telegraph corporation shall make available to any other person or corporation, without first obtaining the residential subscriber's consent, in writing, any of the following information:

(1) The subscriber's personal calling patterns, including any listing of the telephone or other access numbers called by the subscriber, but excluding the identification to the person called of the person calling and the telephone number from which the call was placed, subject to the restrictions in Section 2893, and also excluding billing information concerning the person calling which federal law or regulation requires a telephone corporation to provide to the person called.

(2) The residential subscriber's credit or other personal financial information, except when the corporation is ordered by the commission to provide this information to any electrical, gas, heat, telephone, telegraph, or water corporation, or centralized credit check system, for the purpose of determining the creditworthiness of new utility subscribers.

(3) The services which the residential subscriber purchases from the corporation or from independent suppliers of information services who use the corporation's telephone or telegraph line to provide service to the residential subscriber.

(4) Demographic information about individual residential subscribers, or aggregate information from which individual identities and characteristics have not been removed.

(b) Any residential subscriber who gives his or her written consent for the release of one or more of the categories of personal information specified in subdivision (a) shall be informed by the telephone or telegraph corporation regarding the identity of each person or corporation to whom the information has been released, upon written request. The corporation shall notify every residential subscriber of the provisions of this subdivision whenever consent is requested pursuant to this subdivision.

(c) Any residential subscriber who has, pursuant to subdivision (b), given written consent for the release of one or more of the categories of personal information specified in subdivision (a) may rescind this consent upon submission of a written notice to the telephone or telegraph corporation. The corporation shall cease to make available any personal information about the subscriber, within 30 days following receipt of notice given pursuant to this subdivision.

(d) This section does not apply to any of the following:

(1) Information provided by residential subscribers for inclusion in the corporation's directory of subscribers.

(2) Information customarily provided by the corporation through directory assistance services.

(3) Postal ZIP Code information.

(4) Information provided under supervision of the commission to a collection agency by the telephone corporation exclusively for the collection of unpaid debts.

(5) Information provided to an emergency service agency responding to a 911 telephone call or any other call communicating an imminent threat to life or property.

(6) Information provided to a law enforcement agency in response to lawful process.

(7) Information which is required by the commission pursuant to its jurisdiction and control over telephone and telegraph corporations.

(8) Information transmitted between telephone or telegraph corporations pursuant to the furnishing of telephone service between or within service areas.

(9) Information required to be provided by the corporation pursuant to rules and orders of the commission or the Federal Communications Commission regarding the provision over

1 telephone lines by parties other than the telephone and telegraph
2 corporations of telephone or information services.

3 (10) The name and address of the lifeline customers of a
4 telephone corporation provided by that telephone corporation to
5 a public utility for the sole purpose of low-income ratepayer
6 assistance outreach efforts. The telephone corporation receiving
7 the information request pursuant to this paragraph may charge the
8 requesting utility for the cost of the search and release of the
9 requested information.

10 (11) Information provided in response to a request pursuant to
11 subdivision (a) of Section 530.8 of the Penal Code.

12 (e) Every violation is a grounds for a civil suit by the aggrieved
13 residential subscriber against the telephone or telegraph corporation
14 and its employees responsible for the violation.

15 (f) For purposes of this section, “access number” means a telex,
16 teletex, facsimile, computer modem, or any other code which is
17 used by a residential subscriber of a telephone or telegraph
18 corporation to direct a communication to another subscriber of the
19 same or another telephone or telegraph corporation.

20 ~~SEC. 61.~~

21 *SEC. 60.* Section 5006 of the Public Utilities Code is amended
22 and renumbered to read:

23 918. The commission shall, within 30 days prior to
24 commencement of the regular session of the Legislature, submit
25 to the Governor a full and true report of transactions under Chapter
26 6 (commencing with Section 5001) of Division 2 during the
27 preceding biennium, including a complete statement of receipts
28 and expenditures during the period.

29 ~~SEC. 62.~~

30 *SEC. 61.* Section 5012 of the Public Utilities Code is amended
31 and renumbered to read:

32 912.1. The Public Utilities Commission shall conduct an audit
33 of the expenditures of the funds received pursuant to Chapter 6
34 (commencing with Section 5001) of Division 2 each fiscal year.
35 The results of this audit shall be reported in writing, on or before
36 February 15th of each year thereafter, with respect to the audit for
37 the fiscal year ending on the previous June 30th, to the appropriate
38 policy and budget committees of the respective houses of the
39 Legislature.

1 ~~SEC. 63.~~

2 ~~SEC. 62.~~ Section 5385.5 of the Public Utilities Code is repealed.

3 ~~SEC. 64.~~

4 ~~SEC. 63.~~ Section 5387 of the Public Utilities Code is amended
5 to read:

6 5387. (a) It is unlawful for the owner of a charter-party carrier
7 of passengers to permit the operation of a vehicle upon a public
8 highway for compensation without (1) having obtained from the
9 commission a certificate or permit pursuant to this chapter, (2)
10 having complied with the vehicle identification requirements of
11 Section 5385, and (3) having complied with the accident liability
12 protection requirements of Section 5391.

13 (b) A person who drives a bus for a charter-party carrier without
14 having a current and valid driver's license of the proper class, a
15 passenger vehicle endorsement, or the required certificate shall be
16 suspended from driving a bus of any kind, including, but not
17 limited to, a bus, schoolbus, school pupil activity bus, or transit
18 bus, with passengers for a period of five years pursuant to Section
19 13369 of the Vehicle Code.

20 (c) (1) A charter-party carrier shall have its authority to operate
21 as a charter-party carrier permanently revoked by the commission
22 or be permanently barred from receiving a permit or certificate
23 from the commission if it commits any of the following acts:

24 (A) Operates a bus without having been issued a permit or
25 certificate from the commission.

26 (B) Operates a bus with a permit that was suspended by the
27 commission pursuant to Section 5378.5.

28 (C) Commits three or more liability insurance violations within
29 a two-year period for which it has been cited.

30 (D) Operates a bus with a permit that was suspended by the
31 commission during a period that the charter-party carrier's liability
32 insurance lapsed for which it has been cited.

33 (E) Knowingly employs a ~~busdriver~~ *bus driver* who does not
34 have a current and valid driver's license of the proper class, a
35 passenger vehicle endorsement, or the required certificate to drive
36 a bus.

37 (F) Has one or more buses improperly registered with the
38 Department of Motor Vehicles.

39 (2) The commission shall not issue a new permit or certificate
40 to operate as a charter-party carrier if any officer, director, or owner

1 of that charter-party carrier was an officer, director, or owner of
2 a charter-party carrier that had its authority to operate as a
3 charter-party carrier permanently revoked by the commission or
4 that was permanently barred from receiving a permit or certificate
5 from the commission pursuant to this subdivision.

6 (d) An officer of the Department of the California Highway
7 Patrol may impound a bus of a charter-party carrier for 30 days
8 pursuant to Section 14602.9 of the Vehicle-Code Code, if the
9 officer determines that any of the following violations occurred
10 while the busdriver was operating the bus of a charter-party carrier:

11 (1) The driver was operating the bus of a charter-party carrier
12 when the charter-party carrier did not have a permit or certificate
13 issued by the commission.

14 (2) The driver was operating the bus of a charter-party carrier
15 when the charter-party carrier was operating the bus with a
16 suspended permit or certificate from the commission.

17 (3) The driver was operating the bus of a charter-party carrier
18 without having a current and valid driver's license of the proper
19 class, a passenger vehicle endorsement, or the required certificate.

20 *SEC. 63.5. Section 5387 of the Public Utilities Code is amended*
21 *to read:*

22 5387. (a) It is unlawful for the owner of a charter-party carrier
23 of passengers to permit the operation of a vehicle upon a public
24 highway for compensation without (1) having obtained from the
25 commission a certificate or permit pursuant to this chapter, (2)
26 having complied with the vehicle identification requirements of
27 Section ~~5385 or 5385.5~~, 5385, and (3) having complied with the
28 accident liability protection requirements of Section 5391.

29 (b) A person who drives a bus for a charter-party carrier without
30 having a current and valid driver's license of the proper class, a
31 passenger vehicle endorsement, or the required certificate shall be
32 suspended from driving a bus of any kind, including, but not
33 limited to, a bus, schoolbus, school pupil activity bus, or transit
34 bus, with passengers for a period of five years pursuant to Section
35 13369 of the Vehicle Code.

36 (c) (1) A charter-party carrier shall have its authority to operate
37 as a charter-party carrier permanently revoked by the commission
38 or be permanently barred from receiving a permit or certificate
39 from the commission if it commits any of the following acts:

1 (A) Operates a bus without having been issued a permit or
2 certificate from the commission.

3 (B) Operates a bus with a permit that was suspended by the
4 commission pursuant to Section 5378.5.

5 (C) Commits three or more liability insurance violations within
6 a two-year period for which it has been cited.

7 (D) Operates a bus with a permit that was suspended by the
8 commission during a period that the charter-party carrier's liability
9 insurance lapsed for which it has been cited.

10 (E) Knowingly employs a ~~busdriver~~ *bus driver* who does not
11 have a current and valid driver's license of the proper class, a
12 passenger vehicle endorsement, or the required certificate to drive
13 a bus.

14 (F) Has one or more buses improperly registered with the
15 Department of Motor Vehicles.

16 (2) The commission shall not issue a new permit or certificate
17 to operate as a charter-party carrier if any officer, director, or owner
18 of that charter-party carrier was an officer, director, or owner of
19 a charter-party carrier that had its authority to operate as a
20 charter-party carrier permanently revoked by the commission or
21 that was permanently barred from receiving a permit or certificate
22 from the commission pursuant to this subdivision.

23 ~~(d) An officer of the Department of the California Highway~~
24 ~~Patrol—A peace officer, as designated pursuant to Chapter 4.5~~
25 ~~(commencing with Section 830) of Title 3 of Part 2 of the Penal~~
26 ~~Code, may impound a bus or limousine of a charter-party carrier~~
27 ~~of passengers for 30 days pursuant to Section 14602.9 of the~~
28 ~~Vehicle Code if the peace officer determines that any of the~~
29 ~~following violations occurred while the busdriver driver was~~
30 ~~operating the bus or limousine of a the charter-party carrier:~~

31 (1) The driver was operating the bus *or limousine* of a
32 charter-party carrier *of passengers* when the charter-party carrier
33 *of passengers* did not have a permit or certificate issued by the
34 commission.

35 (2) The driver was operating the bus *or limousine* of a
36 charter-party carrier *of passengers* when the charter-party carrier
37 *of passengers* was operating the bus with a suspended permit or
38 certificate from the commission.

39 (3) The driver was operating the bus *or limousine* of a
40 charter-party carrier *of passengers* without having a current and

1 valid driver's license of the proper class, a passenger vehicle
2 endorsement, or the required certificate.

3 *(e) This section does not authorize the impoundment of privately*
4 *owned personal vehicles that are not common carriers nor the*
5 *impoundment of vehicles used in transportation for compensation*
6 *by charter-party carriers of passengers that are not required to*
7 *carry individual permits.*

8 ~~SEC. 65.~~

9 SEC. 64. Section 5920 of the Public Utilities Code is amended
10 to read:

11 5920. A holder of a state franchise employing more than 750
12 total employees in California shall annually report to the
13 commission all of the following:

14 (a) The number of California residents employed by the holder,
15 calculated on a full-time or full-time equivalent basis.

16 (b) The percentage of the holder's total domestic workforce,
17 calculated on a full-time or full-time equivalent basis.

18 (c) The types and numbers of jobs by occupational classification
19 held by residents of California employed by holders of state
20 franchises and the average pay and benefits of those jobs and,
21 separately, the number of out-of-state residents employed by
22 independent contractors, companies, and consultants hired by the
23 holder, calculated on a full-time or full-time equivalent basis, when
24 the holder is not contractually prohibited from disclosing the
25 information to the public. This paragraph applies only to those
26 employees of an independent contractor, company, or consultant
27 that are personally providing services to the holder, and does not
28 apply to employees of an independent contractor, company, or
29 consultant not personally performing services for the holder.

30 (d) The number of net new positions proposed to be created
31 directly by the holder of a state franchise during the upcoming
32 year by occupational classifications and by category of full-time,
33 part-time, temporary, and contract employees.

34 ~~SEC. 66.~~

35 SEC. 65. Section 5960 of the Public Utilities Code is amended
36 to read:

37 5960. (a) For purposes of this section, "census tract" has the
38 same meaning as used by the United States Census Bureau, and
39 "household" has the same meaning as specified in Section 5890.

(b) Every holder, no later than April 1, 2008, and annually no later than April 1 thereafter, shall report to the commission on a census tract basis the following information:

(1) Broadband information:

(A) The number of households to which the holder makes broadband available in this state. If the holder does not maintain this information on a census tract basis in its normal course of business, the holder may reasonably approximate the number of households based on information it keeps in the normal course of business.

(B) The number of households that subscribe to broadband that the holder makes available in this state.

(C) Whether the broadband provided by the holder utilizes wireline-based facilities or another technology.

(2) Video information:

(A) If the holder is a telephone corporation:

(i) The number of households in the holder's telephone service area.

(ii) The number of households in the holder's telephone service area that are offered video service by the holder.

(B) If the holder is not a telephone corporation:

(i) The number of households in the holder's video service area.

(ii) The number of households in the holder's video service area that are offered video service by the holder.

(3) Low-income household information:

(i)

(A) The number of low-income households in the holder's video service area.

(ii)

(B) The number of low-income households in the holder's video service area that are offered video service by the holder.

(c) All information submitted to the commission pursuant to this section shall be disclosed to the public only as provided for pursuant to Section 583.

~~SEC. 67.~~

SEC. 66. Section 7661 of the Public Utilities Code is amended to read:

7661. (a) The commission shall require every railroad corporation operating in this state to develop, within 90 days of the effective date of the act adding this section, in consultation

1 with, and with the approval of, the Office of Emergency Services,
2 a protocol for rapid communications with the Office of Emergency
3 Services, the Department of the California Highway Patrol, and
4 designated county public safety agencies in an endangered area if
5 there is a runaway train or any other uncontrolled train movement
6 that threatens public health and safety.

7 (b) A railroad corporation shall promptly notify the Office of
8 Emergency Services, the Department of the California Highway
9 Patrol, and designated county public safety agencies, through a
10 communication to the Warning Center of the Office of Emergency
11 Services, if there is a runaway train or any other uncontrolled train
12 movement that threatens public health and safety, in accordance
13 with the railroad corporation's communications protocol developed
14 pursuant to subdivision (a).

15 (c) The notification required pursuant to subdivision (b) shall
16 include the following information, whether or not an accident or
17 spill occurs:

18 (1) The information required by subdivision (c) of Section 7673.

19 (2) In the event of a runaway train, a train list.

20 (3) In the event of an uncontrolled train movement or
21 uncontrolled movement of railcars, a track list or other inventory
22 document if available.

23 (d) The division of the commission responsible for consumer
24 protection and safety shall investigate any incident that results in
25 a notification required pursuant to subdivision (b).

26 ~~SEC. 68:~~

27 *SEC. 67.* Section 7711 of the Public Utilities Code is amended
28 and renumbered to read:

29 916.2. The commission shall annually report to the Legislature,
30 on or before July 1, on sites on railroad lines in the state it finds
31 to be hazardous. The report shall include, but not be limited to,
32 information on all of the following:

33 (a) A list of all railroad derailment accident sites in the state on
34 which accidents have occurred within at least the previous five
35 years. The list shall describe the nature and probable causes of the
36 accidents, if known, and shall indicate whether the accidents
37 occurred at or near sites that the commission has determined,
38 pursuant to subdivision (b), pose a local safety hazard.

39 (b) A list of all railroad sites in the state that the commission
40 determines, pursuant to Section 20106 of Title 49 of the United

1 States Code, pose a local safety hazard. The commission may
2 submit in the annual report the list of railroad sites submitted in
3 the immediate prior year annual report, and may amend or revise
4 that list from the immediate prior year as necessary. Factors that
5 the commission shall consider in determining a local safety hazard
6 may include, but need not be limited to, all of the following:

7 (1) The severity of grade and curve of track.

8 (2) The value of special skills of train operators in negotiating
9 the particular segment of railroad line.

10 (3) The value of special railroad equipment in negotiating the
11 particular segment of railroad line.

12 (4) The types of commodities transported on or near the
13 particular segment of railroad line.

14 (5) The hazard posed by the release of the commodity into the
15 environment.

16 (6) The value of special railroad equipment in the process of
17 safely loading, transporting, storing, or unloading potentially
18 hazardous commodities.

19 (7) The proximity of railroad activity to human activity or
20 sensitive environmental areas.

21 (8) A list of the root causes and significant contributing factors
22 of all train accidents or derailments investigated.

23 (c) In determining which railroad sites pose a local safety hazard
24 pursuant to subdivision (b), the commission shall consider the
25 history of accidents at or near the sites. The commission shall not
26 limit its determination to sites at which accidents have already
27 occurred, but shall identify potentially hazardous sites based on
28 the criteria enumerated in subdivision (b) and all other criteria that
29 the commission determines influence railroad safety. The
30 commission shall also consider whether any local safety hazards
31 at railroad sites have been eliminated or sufficiently remediated
32 to warrant removal of the site from the list required under
33 subdivision (b).

34 (d) The commission may combine the information required to
35 be reported by this section with the report prepared pursuant to
36 Section 916.

37 ~~SEC. 69.~~

38 *SEC. 68.* Section 7712 of the Public Utilities Code is amended
39 to read:

7712. On or before January 1, 1993, the commission shall adopt regulations, based on its findings and not inconsistent with federal law. The commission may amend or revise the regulations as necessary thereafter, to reduce the potential railroad hazards identified in Section 916.2. In adopting the regulations, the commission shall consider at least all of the following:

(a) Establishing special railroad equipment standards for trains operated on railroad sites identified as posing a local safety hazard pursuant to subdivision (b) of Section 916.2. These standards may include, but need not be limited to, standards for all of the following:

(1) Sizes, numbers, and configurations of locomotives.

(2) Brakes.

(b) Establishing special train operating standards for trains operated over railroad sites identified as posing a local safety hazard pursuant to subdivision (b) of Section 916.2. These standards may include, but need not be limited to, standards for all of the following:

(1) Length, weight, and weight distribution of trains.

(2) Speeds and accelerations of trains.

(3) Hours of allowable travel.

(c) Establishing special training, personnel, and performance standards for operators of trains that travel on railroad sites identified as posing a local safety hazard pursuant to subdivision (b) of Section 916.2.

(d) Establishing special inspection and reporting standards for trains operated on railroad sites identified as posing a local safety hazard pursuant to subdivision (b) of Section 916.2.

~~SEC. 70.~~

SEC. 69. Section 7912 of the Public Utilities Code is amended to read:

7912. A public utility employing more than 750 total employees shall annually report to the commission all of the following:

(a) The number of customers served in California by the public utility.

(b) The percentage of the public utility's total domestic customer base that resides in California.

(c) The number of California residents employed by the public utility, calculated on a full-time or full-time equivalent basis.

1 (d) The percentage of the public utility's total domestic
2 workforce, calculated on a full-time or full-time equivalent basis,
3 that resides in California.

4 (e) The capital investment in the public utility's tangible and
5 intangible plant which ordinarily have a service life of more than
6 one year, including plant used by the company or others in
7 providing public utility services, in California during the yearly
8 reporting period.

9 (f) The number of California residents employed by independent
10 contractors and consultants hired by the public utility, calculated
11 on a full-time or full-time equivalent basis, when the public utility
12 has obtained this information upon requesting it from the
13 independent contractor or consultant, and the public utility is not
14 contractually prohibited from disclosing the information to the
15 public. This subdivision is inapplicable to contractors and
16 consultants that are a public utility subject to the reporting
17 requirements of this section. This paragraph applies only to those
18 employees of an independent contractor or consultant that are
19 personally providing services to the public utility, and does not
20 apply to employees of an independent contractor or consultant not
21 personally performing services for the public utility.

22 ~~SEC. 71.~~

23 *SEC. 70.* Section 8283 of the Public Utilities Code is amended
24 to read:

25 8283. (a) The commission shall require each electrical, gas,
26 water, wireless telecommunications service provider, and telephone
27 corporation with gross annual revenues exceeding twenty-five
28 million dollars (\$25,000,000) and their commission-regulated
29 subsidiaries and affiliates, to submit annually, a detailed and
30 verifiable plan for increasing procurement from women, minority,
31 disabled veteran, and LGBT business enterprises in all categories,
32 including, but not limited to, renewable energy, wireless
33 telecommunications, broadband, smart grid, and rail projects.

34 (b) These annual plans shall include short- and long-term goals
35 and timetables, but not quotas, and shall include methods for
36 encouraging both prime contractors and grantees to engage women,
37 minority, disabled veteran, and LGBT business enterprises in
38 subcontracts in all categories that provide subcontracting
39 opportunities, including, but not limited to, renewable energy,

1 wireless telecommunications, broadband, smart grid, and rail
2 projects.

3 (c) The commission shall establish guidelines for all electrical,
4 gas, water, wireless telecommunications service providers, and
5 telephone corporations with gross annual revenues exceeding
6 twenty-five million dollars (\$25,000,000) and their
7 commission-regulated subsidiaries and affiliates, to be utilized in
8 establishing programs pursuant to this article.

9 (d) Every electrical, gas, water, wireless telecommunications
10 service provider, and telephone corporation with gross annual
11 revenues exceeding twenty-five million dollars (\$25,000,000) shall
12 furnish an annual report to the commission regarding the
13 implementation of programs established pursuant to this article in
14 a form that the commission shall require, and at the time that the
15 commission shall annually designate. The report shall include the
16 information about LGBT business enterprises beginning with the
17 2016 report.

18 (e) (1) The Legislature declares that each electrical, gas, water,
19 mobile telephony service provider, and telephone corporation that
20 is not required to submit a plan pursuant to subdivision (a) is
21 encouraged to voluntarily adopt a plan for increasing women,
22 minority, disabled veteran, and LGBT business enterprise
23 procurement in all categories.

24 (2) The Legislature declares that each cable television
25 corporation and direct broadcast satellite provider is encouraged
26 to voluntarily adopt a plan for increasing women, minority,
27 disabled veteran, and LGBT business enterprise procurement and
28 to voluntarily report activity in this area to the Legislature on an
29 annual basis.

30 ~~SEC. 72.~~

31 *SEC. 71.* Section 8367 of the Public Utilities Code is amended
32 and renumbered to read:

33 ~~913.11.~~

34 *913.2.* By January 1, 2011, and by January 1 of each year
35 thereafter, the commission shall report to the Governor and the
36 Legislature on the commission's recommendations for a smart
37 grid, the plans and deployment of smart grid technologies by the
38 state's electrical corporations, and the costs and benefits to
39 ratepayers.

1 SEC. 72. Section 3.5 of this bill incorporates amendments to
2 Section 281 of the Public Utilities Code proposed by this bill and
3 Assembly Bill 1262. It shall only become operative if (1) both bills
4 are enacted and become effective on or before January 1, 2016,
5 (2) each bill amends Section 281 of the Public Utilities Code, and
6 (3) this bill is enacted after Assembly Bill 1262, in which case
7 Section 281 of the Public Utilities Code, as amended by Assembly
8 Bill 1262, shall remain operative only until the operative date of
9 this bill, at which time Section 3.5 of this bill shall become
10 operative, and Section 3 of this bill shall not become operative.

11 SEC. 73. Section 63.5 of this bill incorporates amendments to
12 Section 5387 of the Public Utilities Code proposed by both this
13 bill and Senate Bill 541. It shall only become operative if (1) both
14 bills are enacted and become effective on or before January 1,
15 2016, (2) each bill amends Section 5387 of the Public Utilities
16 Code, and (3) this bill is enacted after Senate Bill 541, in which
17 case Section 63 of this bill shall not become operative.

18 SEC. 74. Section 28 of this bill shall not become operative if
19 (1) Senate Bill 48 and this bill are both enacted and become
20 effective on or before January 1, 2016, and (2) Senate Bill 48 and
21 this bill both add Section 910 to the Public Utilities Code.

22 SEC. 75. Section 29 of this bill shall not become operative if
23 (1) Senate Bill 48 and this bill are both enacted and become
24 effective on or before January 1, 2016, and (2) Senate Bill 48 and
25 this bill both add Section 910.1 to the Public Utilities Code.